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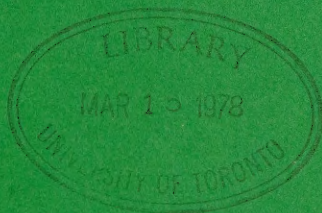
SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

KENORA DISTRICT CAMP
OWNERS ASSOCIATION

PRESENTED AT

DRYDEN
ON
NOVEMBER 9, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

Kenora District Camp
Owners Association
Waldhof Bay Lodge
POV 2X0

PRESENTED AT

Dryden
on

November 9, 1977

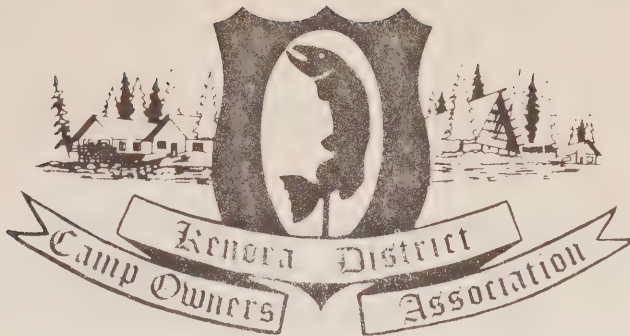
ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
ROOM 801
TORONTO, ONTARIO
M4W 1A5

NOTE

The following documents form part of the submission from the Kenora District Camp Owners Association:

1. A Pamphlet titled "Vacationland camp owners Trade Journal."
2. Three photographs which could not be reproduced for the printed copy of the submission. The original of these documents can be viewed at the Commission offices at 55 Bloor St. West, 8th floor.



COI-VIN, President
Idhof Bay Lodge
Idhof, Ontario POV 2X0
one 227 5351

Secretary M-
Eagle River Ontario POV
Phone 750

October 21, 1977

HONORARY PRESIDENT

Dick Motlong
NOTO President

PAST PRESIDENT

Albert Kast
ECS Narrows

1st VICE-PRESIDENT

Rod Munford
Vernum Bay

2nd VICE PRESIDENT

Lyle Oman
Minaki

SECRETARY-MANAGER

James A. Flickinger
Eagle River

TREASURER

Herbert L. Hoffman
Sioux Narrows

DIRECTORS

Honeke, Leon Runge,
Hoffman, Jim Joahn-
Ben Cummuskey, Irv
John Bratland, Colin
Rick Lindmeier, Dick
ong, Barney Lamm, Leo
Eli, Elmer Olson, Otto
S, Dick Sampson, Sydney
Eli Lindmeier, Robbie
Olson, Ron Booi, Errett
Oggs, Lyle Oman

Justice Patrick Hartt
Royal Commission on the Northern Environment
Manulife Centre
56 Bloor Street West
Toronto M4W 1A5

Dear Justice Hartt:

We are enclosing herewith a copy of our "Introductory Submission
by the Kenora District Campowners Association" for your perusal.

It is our intention to attend the preliminary public meetings
scheduled in Dryden, Ontario on November the 9th, and in Kenora,
Ontario on December the 12th.

We have begun our basic research on the program, and plan to make
application to the public funding program upon completion of a
more comprehensive study of our projected needs.

Also enclosed is a copy of our monthly publication, and the current
financial statement.

Very truly yours,

Leo Colvin
Leo Colvin, President

C.C. Gaylord Watkins

**AFFILIATED
MEMBER**



KENORA DISTRICT CAMPOWNERS ASSOCIATION
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDING OCTOBER 31, 1977

Deposit in Bank October 31, 1976	\$ 2,561.44
Deposit in Bank October 31, 1977	3,615.77
Current cash on hand	47.80
Outstanding obligations	<u>0.00</u>
Increase cash assets (+)	\$ 1,102.13

1977 Revenue	Regular membership	\$ 3,500.00
	Allied membership & advertising	5,125.00
	Spring & Fall Banquets	2,651.00
	Grants or gifts	<u>0.00</u>
		\$ 11,276.00

1977 Expenses	Salaries & Travel Expenses	\$ 2,895.00
	Spring & Fall Banquets	2,740.77
	Printing Trade Journal	2,340.44
	Office Equipment	493.97
	Rebuilt duplicator (\$321.00)	
	Tape Recorder & Tapes (\$109.68)	
	Addressograph Plates (\$ 35.79)	
	Typewriter Repairs (\$ 27.50)	
	Stationery & Printing	442.36
	Postage	406.10
	NOTO Meeting & Hospitality Room	350.00
	Telephone	349.31
	Advertising (Kenora Miner & News)	88.20
	Meeting Rooms (Kenricia)	65.16
	Bank Charges & Exchange	<u>2.56</u>
		\$ 10,173.87

	1977 Total Expenses	\$ 10,173.87
	1977 Total Revenue	<u>11,276.00</u>
	Cash Assets Increase	(+)\$ 1,102.13
Current Total Assets - Cash & Deposits		\$ 3,663.57

Jim Flickinger
Secretary - Manager

INTRODUCTORY SUBMISSION BY THE KENORA DISTRICT CAMPOWNERS ASSOCIATION TO
THE ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT.

THE KENORA DISTRICT CAMPOWNERS ASSOCIATION (KDCA) IS AN ORGANIZATION THAT HAS WORKED FOR THE PAST FORTY YEARS WITH GOVERNMENTAL, AND OTHER RELATED GROUPS, IN THE DUAL ROLE OF THE CONSERVATION OF NATURAL RESOURCES WHILE AT THE SAME TIME RESPONSIBLY REPRESENTING THE INTERESTS OF THE TOURIST INDUSTRY. THE TOURIST INDUSTRY CURRENTLY RATES SECOND, BEHIND THE TIMBER INDUSTRY, AS THE ~~MAJOR~~ SOURCE OF INCOME IN NORTHWESTERN ONTARIO.

K.D.C.A. HAS APPROXIMATELY ONE HUNDRED RESORT MEMBERS PLUS ANOTHER ONE HUNDRED ALLIED BUSINESS MEMBERS. WE REPRESENT THE GEOGRAPHICAL AREA FROM IGNACE, ONTARIO WEST TO THE MANITOBA BORDER, AND FROM THE U. S. BORDER NORTH TO THE ELEVENTH BASE LINE. IT IS OUR FEELING THAT ESSENTIALLY ALL OF THESE MEMBERS WILL BE EITHER DIRECTLY OR INDIRECTLY AFFECTED BY THE HARTT COMMISSION INQUIRY.

WE FEEL THAT NORTHWESTERN ONTARIO CAN MAINTAIN TOURISM AS IT IS KNOWN TODAY ONLY IF STRONG PROTECTIVE MEASURES ARE IMPLEMENTED. AND FROM AN ECONOMIC STANDPOINT, THIS IS MOST IMPORTANT SINCE IN OUR PARTICULAR REGION, TOURIST ESTABLISHMENTS ARE IN GENERAL, LOCATED IN DEPRESSED OR REMOTE AREAS, WHERE OTHER FORMS OF EMPLOYMENT ARE RELATIVELY SCARCE. IN THE SAME VEIN, IN THIS DISTRICT IT IS THE LARGEST EMPLOYER OF WOMEN, AND FOR THE MOST PART, NATIVE PEOPLE.

STATISTICS INDICATE THAT APPROXIMATELY NINETY PERCENT OF THE INCOME FROM TOURISM IS DERIVED FROM OUTSIDE CANADA, BUT THAT IT REMAINS IN THE AREA TO PURCHASE GOODS AND SERVICES. IT HAS BEEN SHOWN THAT TOURIST DOLLARS RECIRCULATE ABOUT AN AREA FASTER THAN ANY OTHER SOURCE; IN SHORT "NEW FOUND MONEY".

WE BELIEVE THAT THE ENVIRONMENTAL HEARINGS WILL CLEARLY INDICATE TO THE GENERAL PUBLIC, AS WELL AS ANY OBJECTIVELY MINDED PUBLIC SERVANT, THE FACT, TO QUOTE OLIVER WENDELL HOLMES, "IT IS NOT SO MUCH WHERE WE STAND, AS IN WHAT DIRECTION WE ARE MOVING". THE MOVEMENT IN THIS INSTANCE OVER THE YEARS HAS BEEN, WE FEEL, NOT IN THE BEST INTEREST IN PRESERVING THE NORTH FOR

FUTURE GENERATIONS.

IN THE RUGGED TERRAIN OF NORTHERN ONTARIO, RESORT OWNERS HAVE AN UNIMPAIRED VIEW OF THE MANY CHANGES THAT ARE TAKING PLACE ABOUT THEM. CHANGES THAT ALTER THE ENVIRONMENT IN TURN ALTER NATURAL RESOURCES. A SIMPLE ILLUSTRATION WOULD BE A SEEMINGLY INSIGNIFICANT CULVERT PLACED IN A SMALL STREAM COULD CONCEIVABLY ALTER THE FISH SPAWNING CYCLE OF THE NEARBY LAKES, AND ALSO THE FUR BEARING ANIMALS NORMAL HABITAT.

THE TIMBER INDUSTRY HAS BEEN ABLE TO OPERATE VIRTUALLY UNRESTRICTED SINCE THE CROWN TIMBER ACT WAS ENACTED DECADES AGO. AT THAT TIME MOST WERE OF THE OPINION THAT THE NORTH WAS INEXHAUSTABLE, AND A FEW MINOR AMMENDMENTS IMPLEMENTED IN 1962 WOULD INDICATE THAT THERE IS NOT MUCH CHANGE IN THIS CONCEPTION.

REFORESTATION HAS TRADITIONALLY BEEN POOR, AND AS RECENTLY AS 1976, THE MINISTER OF NATURAL RESOURCES WAS QUOTED AS STATING THAT IT WAS DIFFICULT TO CREATE MONEY WHEN THE BENEFITS COULD NOT BE REALIZED FOR SIXTY YEARS. MODERN EQUIPMENT AND OPERATING TECHNIQUES OF THE TIMBER INDUSTRY HAVE FAR OUTSTRIPPED FOREST MANAGEMENT. AN ANALOGY MIGHT BE VISUALIZING TWO RACING CARS, ONE CAPABLE OF GOING FIFTY MILES AN HOUR, AND THE OTHER NINETY. THE SLOWER ONE NOT ONLY CAN NEVER CATCH UP, BUT THE DISTANCE BETWEEN BECOMES PROGRESSIVELY GREATER.

TOURISM HAS LOST IMMEASUREABLE REVENUE OVER THE YEARS AS THE RESULT OF THE INTRUSION OF ROADS, OFTEN CUT NEEDLESSLY, TO REMOTE LAKES WHERE A TOURIST OUTFITTER HAS AN OUTPOST CAMP, OR IN SOME CASES, A MAIN BASED FLY-IN RESORT. THIS IS MOST DISTURBING BECAUSE THE FLY-IN OUTPOST CONCEPT IS UNIQUE IN NORTHERN ONTARIO WHERE, UNLIKE IN THE UNITED STATES, WHERE THE PROBLEM IS PAST REALITY, WE ARE RAPIDLY APPROACHING THE SAME STATUS.

WE ARE APPROACHING THE END OF THE NATURAL EXPLOITABLE FORESTS OF NORTHERN ONTARIO. FIFTY YEARS MIGHT SEEM A LONG TIME, BUT COMPARED TO THE SIXTY YEARS REQUIRED TO REGROW A MARKETABLE TREE, IT WOULD INDICATE THAT WE ARE ALREADY ON THE WRONG SIDE OF THE CYCLE.

ALL FUTURE DEVELOPMENT, WE FEEL, SHOULD NOT BE DICTATED BY THE GROUND RULES OF ONE PARTICULAR INDUSTRY IRREGARDLESS OF THE EFFECT TO THE ENVIRONMENT OR OTHER USER INDUSTRIES. IN SHORT, THE REAL PROBLEM IS ATTEMPTING TO FORCE TECHNOLOGY AND MODERN MANAGEMENT TO OPERATE WITHIN THE NARROW CONFINES OF OUR FRAGILE ENVIRONMENTAL SYSTEM; SOMEWHAT LIKE ATTEMPTING TO PUSH A STRING.

IT WOULD SEEM THAT WE ARE FACING A REVOLUTION OF EVER RISING ENTITLEMENTS, AND THAT THE GOAL OF MANY IS NO LONGER EQUALITY OF OPPORTUNITY, BUT EQUALITY OF RESULTS. THEN IT WOULD FOLLOW THAT THE REASON PRESENTLY PROPOSED SOLUTIONS DO NOT APPEAR TO BE WORKING IS THAT WE SEEM TO RELY UPON BRUTE FORCE ANSWERS TO A CRISIS. WHY NOT ENDEAVOR TO HEAD OFF THE CRISIS BY CHANGING THE PROCESS BY WHICH WE TRY TO COPE WITH OUR ENVIRONMENTAL ISSUES?

WE OF THE NORTH ARE GROWING INCREASINGLY UNEASY AT THE GRADUAL ATTRITION OF OUR NATURAL RESOURCES. OUR CONFIDENCE HAS BEEN SHAKEN, AND WE ARE NOW TURNING OUR HOPES TO THE UPCOMING HEARINGS TO RESTORE THAT CONFIDENCE.

WE OF THE KENORA DISTRICT CAMPOWNERS ASSOCIATION FEEL THAT NATURAL RESOURCE PROTECTION IS NO LONGER A PIOUS SENTIMENT; IT IS A MAJOR ELEMENT OF SURVIVAL TO THE NORTH.

WE ARE LOOKING FORWARD TO PARTICIPATING IN THE ROYAL COMMISSION HEARINGS ON THE NORTHERN ENVIRONMENT, AND HOPE WE CAN BE OF CONSTRUCTIVE SERVICE TO YOU AND YOUR STAFF.

LEO COLVIN, PRESIDENT
KENORA DISTRICT CAMPOWNERS ASSOCIATION

12x 9 5
+ 3 photo

ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

K.D.C.A.'S ORAL SUBMISSION TO THE FIRST SET OF PUBLIC MEETINGS
DRYDEN, ONTARIO NOVEMBER 9, 1977 PRESENTED BY LEO COLVIN

I WOULD LIKE TO THANK YOU FOR THIS OPPORTUNITY TO PARTICIPATE IN THIS PORTION OF YOUR HEARINGS ON THE ENVIRONMENT OF THE NORTH. AS YOU KNOW, K.D.C.A. MADE AN INTRODUCTORY SUBMISSION A FEW WEEKS AGO, AND I HAVE COPIES WITH ME FOR ANYONE WHO IS INTERESTED. TODAY OUR PRESENTATION IS AN EXTENSION OF THAT BRIEF, AND OUR FINAL SUBMISSION WILL BE MADE IN 1978 AFTER YOUR FORMAL HEARINGS BEGIN.

TOURISM IN THE NORTH IS EXPERIENCING A GREAT MANY PROBLEMS: THE OVER HARVEST OF LAKES, THE MERCURY ISSUE, INCREASED GAS PRICES, AND THE OVERALL DECREASE IN THE TRAVELING PUBLIC. MOST OF THESE ARE ~~IN~~COMPASSED IN YOUR HEARINGS, SO WE WILL BE ADDRESSING OURSELVES TO THE ABUSES OF THE PULP AND PAPER COMPANIES: MAINLY THEIR ROAD BUILDING PRACTICES, AND THE EFFECTS THESE PRACTICES HAVE ON THE SEGMENT OF OUR INDUSTRY DEALING IN FLY-IN FISHING.

I WOULD LIKE TO STATE OUR ORGANIZATION IS NOT OPPOSED TO THIS INDUSTRY BECAUSE THEIR CONTRIBUTION TO THE ECONOMIC BASE OF NORTHWEST ONTARIO IS VITALLY IMPORTANT. WHAT WE ARE OPPOSED TO IS THEIR CONTINUED AND GROWING DISREGARD OF THE FRAGILITY OF OUR ENVIRONMENT. IN THEIR HASTE TO CUT MORE TREES TO FEED THEIR EXPANDING MILLS THEY LEAVE LARGE AREAS THAT ARE DESTROYED FOREVER. THIS IS TOTALLY UNACCEPTABLE TO THE PEOPLE OF THE NORTH.

ALL IS NOT BLACK AND WHITE IN THE TOURIST INDUSTRY EITHER. WE HAVE SOME GREY AREA OPERATORS WHO ALSO DISREGARD OUR NATURAL RESOURCES, AND OUR ORGANIZATION WORKS JUST AS ENTHUSIASTICALLY IN THIS AREA AS WE DO THE ACCESS ROAD PROBLEM. NEW REGULATIONS FROM THE MINISTRY OF NATURAL RESOURCES BARES THIS OUT.

I WOULD LIKE TO STATE AT THIS TIME, THAT SOME PEOPLE SEEM TO DOWN-PLAY TOURISM. MAYBE IT IS BECAUSE GUESTS ARE BASICALLY NON RESIDENTS, BUT THAT IS WHAT TOURISM IS ALL ABOUT IN ANY COUNTRY. TOURISM IS A MAJOR PART OF OUR GROSS NATIONAL PRODUCT. THE IMPORTANCE OF THIS INDUSTRY IS MADE CLEAR BY THE FACT THAT IN 1974 TOURISTS SPENT IN NORTHWEST ONTARIO THE EQUIVALENT OF \$2,000.00 FOR EVERY MAN, WOMAN, AND CHILD LIVING IN THIS PART OF THE PROVINCE.

TOURISM HAS LOST IMMEASURABLE REVENUE OVER THE YEARS AS THE RESULT OF THE INTRUSION OF ROADS, OFTEN CUT NEEDLESSLY TO REMOTE LAKES, WHERE A TOURIST OUTFITTER HAS AN OUTPOST CAMP, OR IN SOME CASES A MAIN BASED FLY-IN RESORT. THIS TYPE OF TOURISM IS UNIQUE IN NORTHERN ONTARIO, UNLIKE THE UNITED STATES, WHERE THE PROBLEM IS A PAST REALITY---WE ARE RAPIDLY APPROACHING THE SAME STATUS.

^{LTD}
"ACRES ~~INC.~~", A CONSULTING FIRM FOR REED LTD. STATES THAT WHEN ROADS ARE PLACED INTO LAKES WHERE TOURIST OUTFITTERS ARE LOCATED, THEY WILL BE BETTER OFF BECAUSE PEOPLE CAN DRIVE TO THEM. THE OUTFITTERS WHO WISH TO MAINTAIN THE FLY-IN ASPECT CAN JUST "MOVE OVER THE HILL". IF ACRES ~~INCORPORATED~~ HAD SPENT ANY TIME ON THIS SUBJECT, THEY WOULD HAVE FOUND OUT THAT THE LAKE OVER THE HILL IS JUST NOT THERE. I MIGHT ADD THAT FOR AN OUTFITTER TO PLACE A CAMP ON A LAKE, FIRST, THERE MUST BE FISH IN IT. SECOND, IT MUST BE LARGE ENOUGH TO HANDLE AIRCRAFT SAFELY,

AND ALSO IT MUST MEASURE UP TO THE MINISTRY OF NATURAL RESOURCES GUIDELINES. THERE ARE NOT MANY OF THESE LAKES LEFT, AND ROADS ARE REDUCING THE NUMBER EACH YEAR. A PERSON WHO HAS CHOSEN THE FLY-IN TYPE OF BUSINESS HAS ALSO CHOSEN THAT TYPE OF LIFESTYLE, AND HIS CONCERNS ARE MUCH LIKE THOSE OF THE NATIVE PEOPLE, THAT BEING, AN UNWANTED AND OFTEN UNNECESSARY INTRUSION.

IN OUR INTRODUCTORY SUBMISSION WE STATE THAT THE PRESENTLY PROPOSED SOLUTIONS DO NOT APPEAR TO BE WORKING, AND THAT WE SEEM TO RELY UPON BRUTE FORCE ANSWERS TO A CRISIS. WHY NOT ENDEAVOR TO HEAD OFF THE CRISIS BY CHANGING THE PROCESS BY WHICH WE TRY TO COPY WITH OUR ENVIRONMENTAL ISSUES? WHAT WE ARE SAYING, IS THAT IMPROVED TECHNOLOGY, MODERN MANAGEMENT AND LARGER EQUIPMENT JUST MIGHT NOT BE ABLE TO OPERATE IN THE NARROW CONFINES OF OUR FRAGILE ENVIRONMENT IN THE NORTH. WE ARE NOT IN GEORGIA WHERE A MARKETABLE TREE WILL GROW IN 12 YEARS. HERE IT TAKES 60 YEARS OR MORE.

NATIONAL AND INTERNATIONAL EVENTS OVER THE LAST FEW YEARS HAVE COMBINED JOINTLY TO PLACE GREATER DEMANDS ON THE RENEWABLE AND NON-RENEWABLE RESOURCE BASE OF NORTHERN ONTARIO, AND AS ONE FORESTER FROM A COMPANY STATED IN A SPEECH IN RED LAKE NOT LONG AGO, "IF THE WORLD DEMAND FOR FIBER PRODUCTS IS THERE, AND ONTARIO HAS TREES, THEN THEY SHOULD BE CUT". WITH THIS TYPE OF STATEMENT WE QUESTION WHAT OUR FUTURE HOLDS. (PICTURES AND ~~COMPANY STATEMENT SHOWN~~)

BECAUSE OF THIS TYPE OF ATTITUDE WE HAVE IN SOME AREAS EXPERIENCED "RAPE, RUIN, AND THEN RUN", LEAVING THE ENVIRONMENT IN SUCH A STATE THAT OUR FOREST CANNOT BE REPRODUCED. LAKES ARE DEPLETED OF THEIR FISH, AND THE MOOSE, BEAR AND OTHER FUR BEARING ANIMAL'S HABITATS ARE DISTURBED OR ALTERED.

THESE ARE NOT JUST IDLE STATEMENTS. IN OUR FINAL SUBMISSION WE WILL SHOW YOU FACTS THAT ~~BARE~~ ^{BACK} US OUT. ALSO WE WOULD HOPE YOU WILL TAKE THE TIME TO FLY WITH ONE OF OUR AIRCARRIERS OVER NOT JUST AREAS SELECTED BY THE PAPER INDUSTRY, BUT AREAS THAT WILL PROVE US CORRECT. WE ALSO INVITE YOU TO GO INTO SOME OF THE SO CALLED OLD TIMER'S HOMES WHO MIGHT BE TOO SELF-CONSCIOUS TO SPEAK AT A FORMAL HEARING, AND LISTEN TO THEIR TESTIMONEY OF WHAT HAS AND IS HAPPENING TO OUR AREA.

ABOVE I STATED, "BRUTE FORCE ANSWERS TO A CRISIS". TO EXPLAIN THAT STATEMENT I WOULD SAY THE CRISIS IS WHEN A PAPER COMPANYS EXPANSION PLANS CAN ONLY BE SATISFIED IF THEY CAN CLAIM 19,000 SQUARE MILES OF OUR TIMBER. TO US THAT IS THE BRUTE FORCE OUR ENVIRONMENT MIGHT NOT BE ABLE TO WITHSTAND. IT HAS BEEN STATED, IF TRUE, IT WILL TAKE 156 ACRES A DAY TO FEED THE NEW MILL THAT IS PROPOSED. TAKING THIS INTO ACCOUNT, PLUS ALL THE OTHER PULP AND PAPER COMPANIES CUTTING, JUST HOW DO THEY OR THE GOVERNMENT PLAN TO REFOREST? WHERE DO YOU GET THE PLANTING STOCK WITH THE SURVIVAL RATE OF ONLY 65% TO 70% AFTER 5 YEARS? REFORESTATION IN THE PAST HAS BEEN POOR, AND WHERE IS THE MONEY GOING TO COME FROM? STUMPAGE FEES CERTAINLY CANNOT COVER IT BECAUSE THAT IS IN THE MINUS COLUMN NOW.

WE WOULD LIKE ALSO TO ASK, WHAT ABOUT OUR FUTURE GENERATIONS? WE BELIEVE THEY SHOULD HAVE A SAY IN HOW THIS AREA IS EXPLOITED. A FEW BAD DECISIONS WITH THE MAGNITUDE OF 19,000 SQUARE MILES CAN AND WILL REMOVE THAT RIGHT.

I WOULD LIKE TO STATE AGAIN WE ARE NOT AGAINST DEVELOPMENT OF NEW MILLS, PIPE LINES, OR HYDRO PLANTS, BUT OUR INDUSTRY, THE TOURIST INDUSTRY, IS THREATENED, AND DECISIONS MUST BE REACHED CAREFULLY BECAUSE FUTURE GENERATIONS WILL EITHER REAP THE BENEFITS, OR SUFFER THE CONSEQUENCES OF TODAY'S DECISIONS. WHAT ARE OUR ALTERNATIVES? IN 1976 A STUDY WAS MADE ON FOREST MANAGEMENT BY MR. K. A. ARMSTRONG TO THE DEPARTMENT OF NATURAL RESOURCES IN WHICH HE STATES, "I BELIEVE THE MINISTRY SHOULD UNDERTAKE TO ENCOURAGE THE DEVELOPMENT OF SMALLER, LOCAL FOREST OPERATORS ON CROWN MANAGEMENT UNITS". HE GOES ON TO SAY, "COLLECTIVELY WE ARE IN DANGER OF ALLOWING PAST ATTITUDES AND HISTORICAL RELATIONSHIPS TO GOVERN OUR PRESENT DECISIONS AND ACTIONS, AND WHERE FORESTS ARE CONCERNED THESE HAVE A LONG TERM INFLUENCE ON THE FUTURE".

RECENTLY, SINCE THE ENERGY CRISIS, IT HAS BEEN STATED, WOOD IS THE ONLY INEXHAUSTIBLE ENERGY SUPPLY IN THE WORLD. OUR CONCERNS MUST ENCOMPASS THE POSSIBILITY THAT THE FORESTS ARE WORTH MUCH MORE THAN JUST THE EXTRACTION OF THEM BY THE PAPER INDUSTRY.

IN THE BLOODVEIN RIVER SYSTEM THERE WAS A PROPOSAL FROM MANITOBA FOR A LARGE PART OF NORTHWEST ONTARIO TO BE SET ASIDE. SOME OF THEIR IDEAS HAD GREAT MERIT, BUT THE OVERALL IMPACT SEEMED UNACCEPTABLE. IN THIS AREA, THERE ARE NOW TWO CARIBOU RESERVES. WHAT WE HAVE PROPOSED IS TO EXPAND THEM SO THAT IT WILL CREATE A SLOWING DOWN PERIOD IN DEVELOPMENT WHICH WILL ALLOW PEOPLE 10 TO 20 YEARS FROM NOW THE CHANCE TO MAKE THE DECISION ON ITS FUTURE.

I WOULD LIKE ALSO TO POINT OUT THAT CAREFUL HARVESTING OF THE GAME FISH IN FRAGILE LAKES SERVICED BY FLY-IN TOURIST OPERATORS HAVE IN MOST CASES IMPROVED THE PRODUCTIVITY OF THE LAKES. THE REASON BEING, WITH THE LARGE INVESTMENT THEY HAVE, AND A KNOWLEDGE AND AWARENESS OF THE FRAGILITY OF THESE LAKES BECAUSE OF OUR GEOGRAPHIC LOCATION, THEY WORK VERY HARD TO PRESERVE THE RESOURCES IN THESE LAKES. THIS SEGMENT OF OUR ECONOMY MUST BE PROTECTED. WHEN A TREE IS CUT IT WILL TAKE, UNDER THE BEST CONDITIONS, SIXTY YEARS TO GROW BACK INTO A USEFUL COMMODITY FOR NORTHWEST ONTARIO. IF THESE COMPANIES ARE ALLOWED TO REMOVE LAKES THAT ALSO CREATE DOLLARS FOR OUR ECONOMY, THEY YOU HAVE CREATED A COMPLETE VOID FOR THAT AREA FOR MANY YEARS TO COME.

WHAT WE ARE REALLY SAYING IS, LET THEM TAKE THEIR TREES, BUT IN A SYSTEMATIC METHOD THAT WILL LEAVE AN INDUSTRY, THE TOURIST INDUSTRY, TO CONTINUE TO CONTRIBUTE TO THE ECONOMY WHILE NEW TREES ARE GROWING. THERE IS REALLY NO MYSTERY IN IT. IT JUST MAKES GOOD COMMON SENSE. OUR FATE SHOULD NOT BE DETERMINED BY THE DIRECTION THAT THE RADIATOR CAP ON A BULLDOZER IS POINTED. BECAUSE OF THIS NORTHWESTERN ONTARIO STANDS TO LOSE ONE THIRD OF TOURISM IN THIS AREA. IT IS A NEW NORTH THAT CALLS FOR A NEW POLICY, AND WE ARE PARTICIPATING IN YOUR HEARINGS IN THE HOPE THAT YOU CAN CREATE THIS OVERALL POLICY THAT WILL ALLOW ALL INDUSTRIES TO SHARE EQUALLY AND FAIRLY IN THE RESOURCE BASE OF NORTHERN ONTARIO. THE TASK IS BY NO MEANS SMALL, BUT WE HOPE YOUR MANDATE THROUGH THE ROYAL COMMISSION WILL CLEARLY SPELL OUT TO US AND ALL THE PEOPLE OF NORTHWEST ONTARIO, THE IMPORTANCE OF ALL INDUSTRY.

OUR ORGANIZATION, KENORA DISTRICT CAMPOWNERS ASSOCIATION, IS LOOKING FORWARD TO

WORKING WITH YOU AND YOUR STAFF IN THE NEXT YEAR OR TWO, AND WE HOPE YOU WILL CALL ON US FROM TIME TO TIME FOR INFORMATION YOU FEEL WE CAN PROVIDE. WE ARE AT YOUR DISPOSAL.

AGAIN, THANK YOU FOR THE TIME ALLOTTED TO US, AND WE ARE LOOKING FORWARD TO PARTICIPATING IN YOUR STUDY ON THE ENVIRONMENT OF NORTHERN ONTARIO.

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

NORTHWEST ONTARIO TRAVEL ASSOCIATION

PRESENTED AT

DRYDEN
ON
NOVEMBER 9, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

NORTHWEST ONTARIO TRAVEL ASSOCIATION
Box 725
DRYDEN, ONTARIO

PRESENTED AT

DRYDEN, ONTARIO

ON

NOVEMBER 9, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
ROOM 801
TORONTO, ONTARIO
M4W 1A5

November 9, 1977
Dryden, Ontario.

PRESENTATION BY NORTHWEST ONTARIO TRAVEL ASSOCIATION

TO THE

ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

HISTORY OF TRAVEL ASSOCIATION:

Our Association was established in 1974, with the objectives of:

- 1.) promoting Northwest Ontario(i.e. Kenora and Rainy River Districts) as a major vacation destination, and
- 2.) encouraging development of improved facilities and new tourism plant to service the requirements of vacationers in the Northwest.

The Travel Association is supervised by a Board of Directors made up of tourist operators and interested citizens from throughout the area. The funds for our promotional activities are derived from grants from the Ontario Ministry of Industry and Tourism, and revenue provided by member organizations and resorts.

The emphasis on our promotional activity is a co-operative approach. We work closely with local camp operator groups, Chambers of Commerce and municipalities to encourage effective use of available funds and to eliminate possible duplication and waste.

SHARING OF RESOURCES:

It is our view that tourism and industrial development can co-exist. Uncontrolled industrial development can have serious negative impact on tourism. However, we also see the positive aspects of development north of 50:

- 1.) new roads and transportation services will increase the accessibility to the vast northern wilderness areas.
- 2.) new facilities such as motels, hotels and restaurants, will be constructed to meet the needs for a growing north. These facilities will be available for use by tourists as well and will improve our ability to market the region.

At present, the resources of the Northwest are its' biggest asset. The area's natural beauty, its' wildlife and its' solitude are unsurpassed. The ever increasing numbers of people visiting the area indicate that the Northwest is recognized as a major wilderness area, and this must be protected.

It is interesting to note that tourism and the forestry industry use renewable resources. With the exercise of proper control, the resources can be harvested, rather than merely exploited.

AREAS OF PARTICULAR CONCERN

The Travel Association wishes to indicate several areas of concern which we feel the Commission should consider:

- 1.) what are the implications of development north of 50 on existing tourist operations? - we feel that the interests of these operators should be protected as much as humanly possible.
- 2.) physical damage to the environment - the effects of environmental damage will have a negative impact on the tourist industry. Environmental damage must be prevented at all cost.
- 3.) free enterprise tourism - it is the view of our Association that new tourism development in the north should be encouraged and solicited from the private sector, rather than being extensions of existing provincial park programs. The economic value of private investment is fairly obvious.
- 4.) social impact - along with most other groups, we are very concerned about the social impact of northern development. Planning and co-operation between all affected groups is the key to insuring that no parties are unduly harmed.

SUGGESTION FOR THE COMMISSION

We feel that the formal hearings should be supplimented by face-to-face contact with Northern citizens, representatives of industry, tourist operators and the tourists themselves. We suggest that the Chairman and the members of the Royal Commission, spend as much time as possible in the region. Establishing a visible presence will encourage people with ideas and suggestions, to step forward on an informal basis.

FUTURE PARTICIPATION BY OUR GROUP

We are aware that groups such as the Northern Ontario Tourist Outfitters Association (NOTO), the Kenora District Campowners' Association (KDCA) as well as other local tourist groups will be making representation to the Commission. We will maintain contact with these groups and we see no particular need to take an active role in future hearings. However, we will observe the proceedings, and we are available to assist the Commission at any time.

CONCLUSION

Tourism is generally recognized as the second largest industry in the Northwest, exceeded in economic importance by only the forest industry. We feel it is important that the tourism industry be permitted to grow and prosper and we are confident that the Royal Commission will consider all evidence it receives with mutual acceptable recommendation.

CAZON

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

CANADIAN PAPERWORKERS UNION
DRYDEN LOCAL 105

PRESENTED AT

DRYDEN
ON
NOVEMBER 9, 1977



Ontario

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

CANADIAN PAPERWORKERS UNION CLC
Dryden Local 105
34 Queen Street
Dryden, Ontario

PRESENTED AT

DRYDEN, ONTARIO

ON

NOVEMBER 9, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
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Canadian Paperworkers Union CLC
Dryden Local 105
34 Queen Street
Dryden, Ontario

A.G. Johnson-Local 105-C.P.U. Dryden

It has been interesting to hear the presentations submitted here today. There seem to be positive suggestion to expand Pulp and Paper Mill operations in the area.

The general feeling of the workers I represent is that emphasis should be directed at producing a more complete or finished product rather than enormous amounts of raw pulp. This would place a greater variety of forest products on the market rather than stock piles of raw material. In addition the required amount of employment would be established with less exploitation of our forests. Some embarrassment has been experienced in the last recent years regarding water, air and other pollution. This took many years to accumulate to the present stage. However it should be accepted that it is the future of which we are concerned. All effort should be directed into making corrections to existing facilities, in_order that future plants are as pollution free as possible and of equal importance is re-forestation. The cost of such programs may be high but these are obligation that cannot be ignored.

Another aspect that must be considered is total utilization of our forest material. We should produce here products ready for the consumer to the largest degree possible in order that the value of such production remains in our community to provide additional employment opportunities and services for all our people.

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

ELMER H. LICK

PRESENTED AT

DRYDEN
ON
NOVEMBER 9, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
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COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

ELMER H. LICK
Agricultural Representative, Kenora District
Ontario Ministry of Agriculture and Food
Dryden, Ontario

PRESENTED AT

DRYDEN, ONTARIO
ON
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AGRICULTURE NORTH OF THE 50TH PARALLEL

HISTORY

a) James Bay

The origin of agriculture in Ontario was perhaps in the area north of the 40th parallel. Apparently potatoes and cole crops (cabbage, brussel sprouts and cauliflower) were grown by people in the Hudson Bay Company as early as 1680. Also, at this time and in the area of Moosonee on the southwest coast of James Bay, the Oblate Fathers worked to some extent with the Indian people in the growing of these same crops. It is perhaps interesting to note that in Moose Factory around 1680, there existed seven root houses for the storage of these agricultural products.

b) Northwest

It is reported that in 1893, the Honourable John Dryden, Minister of Agriculture for the Province of Ontario took a trip into Northwestern Ontario. When the train stopped at Barclay Tank, a few miles from where Dryden stands today, the Minister noticed the heavy stands of clover growing alongside the tracks. Upon enquiry he was told that settlers travelling west to the prairies were in the habit of clearing the cars of refuse while the trains took on water. From the seed scattered in this manner the clover had started and spread. Dryden deduced from this that the land must be fertile and in 1894 he started an experimental farm in the area.

Other farms had their beginnings subsequent to this and in 1896 a booklet printed by the Ontario Department of Agriculture was distributed to prospective settlers showing pictures of these pioneer farms, enticing stretches of available land and describing the scenic wonders of rivers, lakes and islands. This attracted many European immigrants up until the time of World War One (WWI).

The demonstration farm in Dryden operated until 1932 when it was closed due to government constraints brought on by the depression.

In order to relate the scale of farming in the Dryden area, there were once 700 farms. At present there are only 135 farms with only 56 of these considered to be commercial farms.

c) Northwest

In the early 1900's, the Timiskaming and Northern Ontario Railroad progressed through to Cobalt and then on to Matheson. By 1906 railway workers started part-time farming in the Matheson area.

By the mid 1910's the CNR line to Cochrane and the West was under construction. Toward the end of WWI, the Kapuskasing Experimental Farm was started by labour provided by prisoners of war. It was well established as an agricultural Experimental Farm by the early 1920's.

In 1916, the Great Fire which swept from Porcupine to Matheson facilitated land clearing. Enticed by advertisements large numbers of English settlers established farms between 1916 and 1920. There was also homesteading carried out by soldiers subsequent to their return from Europe after WWI. As part of the homestead policy, a homesteader was obliged to clear 15 acres of land within 2 years. The wood was sold as pulp. After this resource was removed many operations ceased to be considered viable and were abandoned.

Settlement continued during the 1920's, with the depression of the 1930's resulting in a substantial expansion of people involved in farming.

General-Post 1930's

Agriculture essentially followed other developments into the area and was clearly used to supplement the food base of those who had come to mine the mineral and harvest the wood resources.

As a result of improved transportation facilitating efficient food flow from the South and from the West, and the better income of alternate employment in forestry or mining, agriculture started to decline. Although a decline has occurred, most communities, all just south of the 50th parallel, still maintain a small number of enthusiastic farmers. Concentrations of farmers exist around Kapuskasing, Hearst, Cochrane, Matheson and Dryden-Kenora.

EXISTING AGRICULTURAL SITUATION IN THE KENORA DISTRICTa) Type of Production

At present there is only one commercial dairy farm north of the 50th parallel. This is in the Quibel area between Kenora and Dryden. Agricultural operations do exist however, just south of this 50th parallel. These operations are mainly dairy and beef producers. The dairy products supply the local market whereas the beef products supply some of the local market and the balance is shipped to Winnipeg and Toronto.

There are also a few cash crop producers growing potatoes and cereal grains.

Until recently there were several dairy farms in the area of Sioux Lookout which supplied the local dairy. When the dairy closed down, the dairy farms ceased operation. Beef cattle are

being raised on some of these farms and a number of horses are kept in this same area.

b) Government Services

The Ontario Ministry of Agriculture and Food provides a full extension service to Northern Ontario. Agricultural Representatives exist for each of the Districts with specialists in all fields available through these Representatives. Offices are located in Emo, Dryden, Thunder Bay, Kapuskasing, Matheson, Sault Ste. Marie, North Bay, New Liskeard, Sudbury, Gore Bay (Manitoulin Island).

The Agricultural Representatives working out of Dryden and Kapuskasing have recently been in contact with some Indian peoples north of the 50th parallel. Assistance was given to people in Moosonee, Attawapiskat, Ogoki, Whitedog and Grassy Narrows, relating to vegetable and garden crops and to a limited extent livestock.

The Kapuskasing Experimental Farm, operational since the early 1920's employs 14 people and is mainly involved in research on beef cattle and crop production (cereals and forage grasses) in northern areas. There is also serious variety testing on grasses, legumes and a few vegetable and horticultural crops.

There is also a college and demonstration farm in New Liskeard. The Agricultural School has 75 students in its 2-year farm management diploma course. Subject courses are taught in 2-week modules to enable students to attend just for one particular subject or for many subjects over the regular school term.

The demonstration farm conducts research into beef, swine, sheep and poultry as well as some crops research on new corn, cereals and forage varieties. All such research is related to soil and climatic condition in Northern Ontario. In addition a veterinary services laboratory provides diagnostic service for livestock and poultry producers in the area.

A small federal experimental farm also exists in Thunder Bay, with a staff of 3-5 doing variety testing research. Farmers in the Kenora District do not receive much useful information from this research. The reason is that the research in Thunder Bay is carried out on sandy soils whereas farmers are using clay soils for farming in the Kenora District. Thunder Bay farmers, however, make good use of the research findings.

The Agricultural Representatives do the bulk of the Extension work in Northern Ontario. However, the Ontario Ministry of Agriculture and Food has a number of specialists. There is a Soils and Crops Specialist stationed in North Bay. He has responsibilities in all of the districts of Northern Ontario. There is an Agricultural Engineer at New Liskeard serving Northeastern Ontario. There are also specialists in agricultural engineering, dairy, beef, swine, sheep and horses, who have their office in Southern Ontario but are readily available for extension programs in Northern Ontario.

c) Farm Credit

Farm credit is available in Northern Ontario on approximately the same basis as in the rest of Ontario. The Farm Credit Corporation provides long term mortgages to farmers. A representative of the Farm Credit Corporation visits the office of the Ministry of Agriculture and

Food in Thunder Bay, Rainy River and Kenora Districts on a monthly basis to service the long term credit needs of farmers.

Banks are a good source of short and intermediate term credit.

d) Climate

Due to the proximity of the Great Lakes and James Bay, there is essentially a maritime climate during the summer. This is characterized generally by relatively cool temperatures, clouds and rain. Once the lakes freeze, however, and until the ice goes out of the lakes, there is a continental climate during the winter. This is characterized generally by cold temperatures and sunshine.

This climate provides advantages to agriculture, as the relatively dry period in early spring provides an opportunity for seeding of cereal crops and field work. With the ice going out of the lakes and the return of the maritime climate, these newly planted crops and perennial forage crops thrive in the cool and relatively moist climate. However, when this period of moisture is excessive, it is a problem to harvest the crops, especially the cereal grains.

AGRICULTURAL POTENTIAL

a) Agricultural Capability

Although Canada Land Inventory Soil Capability for Agriculture maps do not exist for most of the area north of the 50th parallel, there is indication that a large tract of land north of the Kenora-Dryden area, currently in forest cover, could be developed for agricultural purposes if there was a definite need. There is also land with agricultural capability on Moose Factory Island, Fort Albany Island and around Attawapiskat.

It is interesting to note that on the basis of forage production for livestock the area can grow very good forage crops due to the amount of rain. Indeed, forage crops do much better in Northern Ontario than in the Prairie Provinces. In the past it was necessary to store some of this crop as hay to feed livestock over winter. New stored feed systems utilizing low moisture hay crop silage allows the farmers to store feed in a semi-dry state thus providing a high quality feed for winter feeding. In this area it is quite often difficult to store baled hay of good quality.

An increasing number of farmers are cutting their cereal grain just prior to ripening and ensiling the whole plant. This not only reduces problems with wet weather but also doubles the yield of livestock feed per acre.

b) Future Prospects

Until economic circumstances distate otherwise, the present level of agricultural production will maintain itself. Indeed, if energy and therefore transportation costs continue to rise, an expansion in agricultural activity might be expected near population centres due to proximity of markets.

There is a great deal of land with agricultural capability which could be developed near but still south of the 50th parallel. If any agricultural expansion is to occur in Northern Ontario, this area, particularly in Northwestern Ontario, has climatic and marketing advantages over lands near the 50th parallel in Northeast Ontario and further north. It would appear that agricultural development north of the 50th parallel is very unlikely until the quite distant future.

c) Working with Native People

It is my opinion that there is a potential of some agricultural production by native people. Three and a half years ago I was invited to go to Round Lake, some 175 miles north of Red Lake. The chief of the reserve knew that gardens had been grown many years before and wanted to get them started again. I agreed to go if it could be worked into my schedule. Unfortunately this was not the case and I did not get to Round Lake.

The Band Council at Whitedog invited me to meet with them concerning agriculture. This I have done on two occasions. I am told by a member of the Band Council that cows, horses and chickens were brought into the area by missionaries many years ago. I was even taken to see a large field of perhaps 30 acres which was cleared under the direction of the missionaries for a farming operation, and then later abandoned.

I suggested that they should try gardens, but the Council members could not get very enthusiastic. They were afraid that the produce would be stolen before it could be harvested by the rightful owner.

I made two visits to the Grassy Narrows Reserve, again at their request. They have a thriving garden with a wide variety of vegetables. The garden is on the site of the old reserve where the soil is some of the richest in Northwestern Ontario.

This summer I received a request through Grand Council Treaty No. 9 to visit Ogoki. This is an Indian Reserve on the north shore of the Albany River, approximately 140 miles north of Geraldton.

The Indians on this reserve remember that they had livestock and gardens many years ago when the reserve was located further up the Albany River. Fresh milk is not now available on the reserve, therefore, the Band Council wanted to know if they could keep some cows. I tried to indicate what was necessary in order for them to get into the dairy business. Eggs are \$1.69 a dozen at Ogoki so they were naturally interested in producing their own eggs. Again I indicated the steps necessary to have a successful egg production system. There are two small gardens on the reserve at the present time and they are wondering about expanding production, primarily in potatoes. There are no major obstacles to expansion.

Whitedog, Grassy Narrows and Ogoki all have land which is suitable for gardens or small farms. I expect that a number of northern communities also have suitable land. Grassy Narrows and Ogoki have proven that gardens can be successful. There does not appear to be any technical reason why Indians could not raise more of their own food. They did it years ago, they can do it again. The only thing missing is incentive.

Let me hasten to add that I am not saying that Indians should be producing food. It is interesting, though, that Band Councils are approaching me for help because they think they should be producing more of their own food.

It is my objective to help people help themselves. It is also my objective to be equally available to every person in the District of Kenora whether they live at Big Trout Lake or Pikangikum or on the edge of Dryden. Please bear in mind, however, that it will take me

a little longer to get to a remote northern community, but then, I will probably stay longer once I get there!

The resources of the Ministry of Agriculture and Food are available to assist persons with agricultural or gardening problems anywhere in Ontario including that vast area north of the 50th parallel.

Submitted by:

Elmer H. Lick
Agricultural Representative
Ontario Ministry of Agriculture and Food
Kenora District

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

ONTARIO PUBLIC SCHOOL MEN
TEACHERS FEDERATION

PRESENTED AT

DRYDEN
ON
NOVEMBER 9, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

Ontario Public School Men Teachers
Federation
Dryden Distric
49 Orvis
Dryden, Ontario

PRESENTED AT

Dryden

on

November 9, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
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TORONTO, ONTARIO
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An Outline of Some of the Concerns
of the Dryden District Ontario Public
School Men Teacher's Federation

to the

Royal Commission of the Northern Environment

Resource Centres and Labour Movement

Native People

Transportation - Busing and Air Travel

Funding of Local Programmes

Television Programming

Royal Commission of the Northern Environment

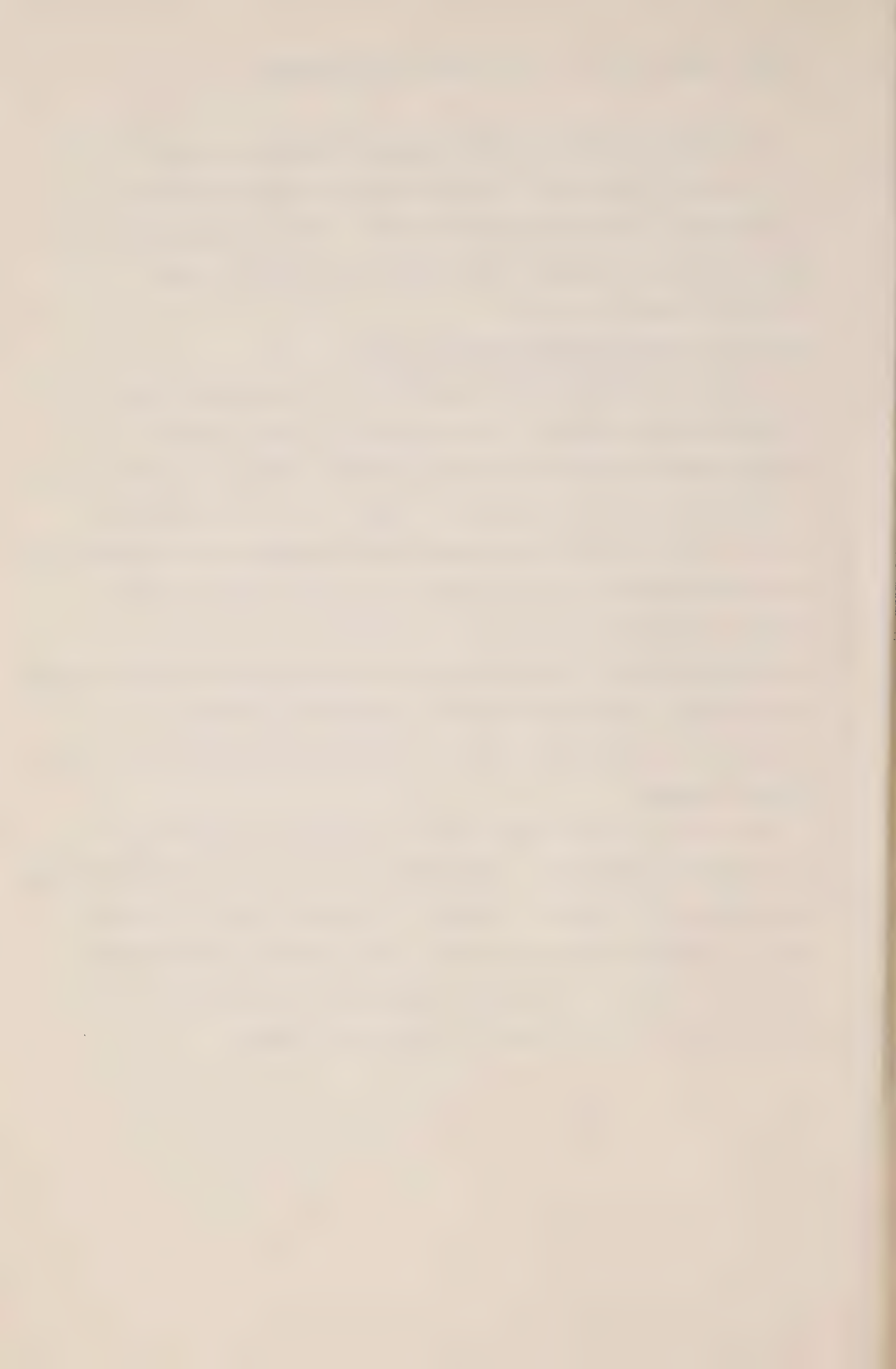
The Dryden District Men Teachers Federation would like to see included in your hearings a number of areas of concern to the children of N.W.O. We feel as well as the benefits of life in this region of Canada, unique problems arise as well.

Resource Centres and Labour Movement

A large segment of our population is transient, both seasonally and yearly. The movement of families is determined by the resource base of this region and will remain or increase in extent. These shifts of residence occur with seasonal job changes and fluctuations in production at mining, forestry and industrial centres. Children may change schools from centre to centre and from out of province as well. These factors create problems in developing programmes, allocating staff and otherwise ensuring a continuity in education for the individual child in our school.

Native Peoples

Teachers are concerned with the problems of how best to accommodate the special requirements in teaching and developing programmes for Indian children. Problems occur in that as well as needing special staff, these children are involved in both resource centre schools and are widely dispersed in remote and isolated areas throughout the area.



Transportation (Busing)

A major percentage of the children in our area are involved in being "Bused" to our schools or school related activities.

These children spend a great part of their school lives being bused to and from school in addition to the normal school instruction time. Schools are concerned with the ensuring of safe transport for these children over very long and rough roads. These factors consume a large portion of our education budget, especially when additional busing occurs in sharing of interschool activities as part of the curriculum. Maintenance costs and the expenses of fuel and operating have escalated at the same time as enrolment determined grants have not kept pace. The bus routes remain as long even though the number of passengers may change from fifty to forty-five children.

Transportation (Air)

The Ontario governments Young Travellers program has enabled some senior students to visit sites and get involved in programmes available to more southern Ontarians. Students have raised their personal funds for a sizeable portion of these and other trips to larger centres such as Winnipeg, Man., and Thunder Bay, Ontario. We are concerned, but hopeful that programs such as this continue or will be expanded. In addition, the recent threat of a loss of our present air service at Dryden may be coming. Rapid air transport to and from southern Ontario is the only means we have to participate in the professional development and maintain liaison with colleagues and programs in the rest of Ontario.

Funding of Local Programs

The Resource centres of this area are by definition apparently unable to develop a broad tax base. Decisions to build or improve educational facilities, recreation complexes, and educational programs may have the immediate result of a raise in local mill rates. This consideration or fear of this result has restricted development of cultural and educational facilities found in other parts of Ontario.

Television

We are presently served by one channel. CBC Winnipeg currently provides coverage of local news and events as well as possible. Dryden has a local private cable company that carries some Ontario Educational T.V. programmes. The audience is restricted by cost and distances to a few local residences. An expansion of the television services available to us seems to be low on the government priorities after some hopes being raised in past years.

Some local schools have diverted funds from other area to purchase video cassette systems to help the individual schools determine what limited programmes will be available at the required and appropriate times.

Consideration of these and other areas directly determining the programmes available to the children of Northwestern Ontario should be an integral part of your commissions scope. The Dryden District OPSMTF feel that input and direction from an independent body such as the Hartt commission will do much to ensure the enlightenment of the decision makers of Ontario. Your request for suggestions as to the scope of the commission has been appreciated.

Sincerely, *J.L. Livingston*
J.L. Livingston, Pres.,
O.P.S.M.T.F.

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

THE TRI-MUNICIPAL COMMITTEE

BALMERTON
EAR FALLS
RED LAKE

PRESENTED AT

RED LAKE ON NOVEMBER 14, 1977

EAR FALLS ON NOVEMBER 16, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

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73 - presented at Ear Falls
Exhibit Number

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

THE TRI-MUNICIPAL COMMITTEE
Balmertown
Ear Falls
Red Lake

PRESENTED AT

RED LAKE on November 14, 1977
EAR FALLS on November 16, 1977

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SUBMISSION TO THE
ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

THE TRI-MUNICIPAL COMMITTEE
BALMERTOWN
EAR FALLS
RED LAKE

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SUMMARY

SUMMARY

The Improvement District of Balmertown, the Township of Ear Falls and the Township of Red Lake comprise the Tri-Municipal Area. These three municipalities were originally founded in response to gold mining. Red Lake and Balmertown are sites of mines and Ear Falls owes its early existence to transportation to the Red Lake and Woman Lake area and was the site of power generation facilities for the mines and townsites.

At the present time, the most important industry in Ear Falls is the Griffith Iron Ore Mine. In Balmertown it is two gold mines, Dickenson Red Lake and Campbell Red Lake. Red Lake is the centre for government services for all three municipalities and the area to the north.

An analysis of social development issues was prepared, based on reports and statistical material available on the three municipalities, interviews with informed individuals, review of the literature on life in frontier communities, and data uncovered in the course of the community consultation programme. The findings of this analysis are as follows:

1. The Tri-Municipal Area is a community of 7,000 persons. However, the Tri-Municipal Area is the centre of a larger community extending over a much larger territory, including a number of Indian Reserves and isolated settlements. The three municipalities and the other more distant settlements have regular social and economic exchanges with one another. The quality of social and economic life in the three municipalities at the core has considerable affect upon these other settlements. The total population of this larger community is 12 to 13,000 persons.
2. The term "frontier community" is preferred to other often used terms such as "resource-based" or "single resource" or "single industry" communities. The preferred term is more appropriate to the Tri-Municipal Area.

3. As a frontier community, the Tri-Municipal Area has some of the following characteristics:
- a) a small population in small settlements within a large territory;
 - b) it is fairly far by land transportation from major population centres;
 - c) they are at a distance from the main transportation links;
 - d) the area has a number of social and economic functions, including primary industry, transportation, government services, distribution of goods and services, community services, services to natives, tourist services.

Many of these functions would likely continue even if primary industry decline.

4. While the social and economic life of the Tri-Municipal Area is varied and probably more varied than most frontier communities, the destinies of three mining companies are important to the area. In two of the three municipalities, the mining companies pay most of the taxes.
5. Frontier communities usually experience high rates of population turnover. These are related to a number of factors, including social and economic limitations, lack of job opportunities for women and the sense of isolation. Those most likely to leave are the young and best educated. Dealing with these problems will require some changes in economic and social life and improved transportation services.
6. It was found that:
- a) the native population of the Kenora district was growing more rapidly than any other group;
 - b) because economic resources of the reserves and isolated settlements are limited, there has been a steady movement of natives into the towns and cities of the north;

- c) Estimates indicate that 800 to 900 persons or 14% of the total population of the Tri-Municipal community are natives;
- d) Most of the natives of the Tri-Municipal community are found in the Township of Red Lake, where they number between 600 and 700 persons or 25% to 30%;
- e) Many of the natives of the area are in seasonal, unskilled and low-paying jobs. For many natives and families and individuals, public assistance provides support throughout many months of the year.;
- f) Because of the aggressive efforts of mine managers, approximately 200 natives are employed in the mines on a regular basis. This has helped to bring a degree of economic stability for a number of native families.;
- g) There is one large concentration of natives in the Mc Dougallville area of Red Lake. However, most natives do not live in one distinct neighbourhood. There does not appear to be any explicit or implicit policy or practice of racial segregation. The existence of Mc Dougallville is related to problems of housing, job opportunities, vocational training and social problems. For many, Mc Dougallville serves as an area of transition.;
- h) Most of the natives in the Tri-Municipal Area are related to people living on the reserves and isolated settlements. The Tri-Municipal Area provides supply and transportation service to some 4,000 to 5,000 natives on the reserves.;
- i) It is expected that the number and percentage of natives in the three municipalities will grow in the future.;

- j) Because of the relationship between the Tri-Municipal Area and approximately one third of the natives of the Kenora district, the quality of social and economic life in the area will have considerable meaning to the natives of north-western Ontario.
- 7. Housing problems are common to frontier communities. The Tri-Municipal Committee experiences periodic shortages, problems of sub-standard housing and the need to provide housing for low-income groups. Some of the problems of housing are related; standards which local residents believe are not appropriate to the north. These standards add considerably to the cost of housing.
- 8. There are more men than women in the Tri-Municipal Area. This imbalance is greater than is found in most other towns and cities of Ontario. This is typical of a frontier community. The imbalance is related to the limits of jobs and social opportunities for women.

This imbalance in male/female ratios is usually associated with increased rates of consumption of alcoholic beverages and a more turbulent community.

- 9. There is one education system for the three municipalities. These include public schools in each locality; there is one school for retarded children and one high school for the whole district. There are approximately 1,160 students in the public schools and 90 in the separate school. The total capacity of the public and separate schools is approximately 1,550 students. The following are

some of the problems of the school system:

- a) It is expected to provide a relatively small student population with a full range of educational programmes.
- b) The high school attempts to provide a full range of academic courses for students but cannot offer all of these in any one year.
- c) High school does not offer major programmes in commercial, vocational and other job-oriented studies.
- d) The number of natives in the high school is increasing and it is anticipated that there will be more native, boarding students from the isolated reserves and settlements.
- e) There is considerable dissatisfaction in Ear Falls over the long bus trip for high school students. They would like all or part of the high school programme to be given in Ear Falls.
- f) There is interest in more programmes in music, art and sports.

There are a limited number of opportunities for adult education and post-secondary education. Lakehead University offers evening courses once a week.

10. There are a number of major recreational facilities in Balmertown and Ear Falls. There are obviously too few in Red Lake. The needs of the residents of the Tri-Municipal community for a large number and variety of recreational facilities are related to the isolation and the long winter period. The need for buildings and programmes is probably greater than those in southern communities. The maintenance of sound and stable community life is related to these facilities.

11. Many of the problems of social life in the Tri-Municipal Area are related to the smallness of population, the distance from major centres and the scattering of many settlements. It is believed that the Tri-Municipal Area could benefit from an increase in population. It is also believed that any increase in population resulting from new developments should be accommodated in the existing communities, bolstering and strengthening them.
12. Information available indicates that large numbers of young people leave the Tri-Municipal Area. Many, however, have indicated that they would prefer to remain but cannot find suitable jobs. It is estimated that approximately two-thirds of all of the high school graduates leave the area.
13. There is a fairly lively and active organizational life in the Tri-Municipal community. It is believed that the rates of participation in associations is higher than might be found in other similar sized communities in the south. These organizations serve not only many useful purposes in the community but also are links with provincial, national and international organizations.
14. The City of Winnipeg is an important factor in the life of the Tri-Municipal community. It serves as the major source of supply and services, provides major health services, is a place for entertainment and recreation and shopping. Most of the residents believe that improved air services and a direct road link would contribute greatly toward a reduction in the cost of living and the quality of their lives.

15. People in the Tri-Municipal community like living in their communities. They like the small town way of life. They appreciate the environment - fresh air, woods and lakes. They are concerned about the distance to major centres, the cost of living, the economic stability and the lack of many community services. They would like to see growth and development at a pace and size which would not destroy the way of life or the environment.



AREA LOCATION

I INTRODUCTION

I INTRODUCTION

This brief has been prepared in order to inform the Royal Commission on the Northern Environment of the views, attitudes, concerns and aspirations of the people in the Tri-Municipal Area. Ontario is a very large province, being 412,600 square miles in area and almost 2,000 miles east to west. The vast majority of its 8,200,000 population live between Hamilton and Ottawa, 1,500 miles from the Tri-Municipal Area. It is not surprising, therefore, that there are differences of opinion between south-eastern Ontario and North-western Ontario. It is hoped that this brief will result in a better understanding of the issues and special problems that exist in north-western Ontario, most particularly the Tri-Municipal Area of Balmertown/Ear Falls/Red Lake.

About 5 years ago, the Government of Ontario announced that studies were made to consider the utilization of the timber resource in north-western Ontario. The citizens of the Tri-Municipal Area became more aware of the need for the diversification of industry and, particularly the utilization of a renewable resource. Much of the industry and economics of the area had been based on gold mining which was, at that time, starting to decline with the closing of several important gold mines.

During 1975 and 1976 while the Reed Paper proposal related to the Integrated Forest Products Complex was being prepared, many people in the Tri-Municipal Area began to feel a need to discuss this new industry in a common voice with government and industry. Increasing concern was being shown for the preservation of the environment, while, at the same time, people were aware that new industry was required. In November, 1976, all three municipalities tentatively agreed to form a Tri-Municipal Committee to discuss this proposal and perhaps other items of common interest. It

was recognized at this time also that the whole question of industry and development in the north-west and particularly in the Tri-Municipal Area, should be addressed, and not just one company's proposal. It became apparent that many issues would come forward in the future, including the development of newly found resources; pipelines, hydro-electric developments, new highways, etc..

On July 13, 1977, the Royal Commission on the Northern Environment was created by Order in Council No. 1900/77. The Commission's mandate is as follows:

- (a) to determine the effects on the environment of major enterprises north of the 50th parallel;
- (b) to investigate the feasibility of alternative uses of natural resources;
- (c) to suggest ways and means of assessing and deciding on environmental aspects of major enterprises.

On September 21, 1977, two representatives of each of the three municipalities met to agree on a formalization of the previous tentative agreement to form a Tri-Municipal Committee. It was also agreed at this meeting that membership in this Committee would not necessarily be restricted to the three founding municipalities. By-Laws were passed by each municipality, authorizing representatives of their respective Councils and Boards of Trustees to become members of this Committee.

It was determined that the Commission did not intend to do extensive research on its own, but, rather, would finance data gathering and resource work by interested parties. Its purpose, at least would be a public forum for interested parties to put forth their positions. Original work would only be done by the Royal Commission, where existing information was not available or interested parties were not available to provide such information.

The initial hearings of the Commission in November and December, 1977 are to be informal and are for the purposes of gathering information only. Physical data and the views of the people will be considered. The Commission is very interested to ascertain the issues, as seen by the people north of the 50th parallel. In order to conserve time and effort, the Commission prefers to fund groups of people where the views can be consolidated, rather than talking to a very large number of individuals.

On September 29, 1977, a representative of the Tri-Municipal Committee (Mr. W. D'Arcy Halligan) and Counsel for the Committee (Mr. John Erickson) and the Consultant (Mr. John Conlin of R. V. Anderson Associates Limited) met with Mr. Justice Patrick Hartt (Chairman) and Mr. Ola Berg (Executive Director) to discuss the purpose, terms of reference and request for funding for the preparation of the brief to be presented to the Royal Commission on the Northern Environment at its initial hearings. A written proposal for these funds was presented on September 30, 1977 and approved.

On October 6, 1977, a meeting of the Tri-Municipal Committee was held. The following executive was elected:

Chairman:	Mr. S. W. Leschuk
Vice-Chairman:	Mr. Douglas Reid
Secretary:	Mr. W. D'Arcy Halligan
Treasurer:	Mr. William Trow

R. V. Anderson Associates Limited was officially appointed Consultant to perform the preparation of this brief. Leon Kumove Social Planning Ltd. and Proctor & Redfern Limited were employed by R. V. Anderson Associates Limited as sub-consultants.

The brief that has been prepared, endeavours to inform the reader of the history and physical description of the three municipalities and through analysis of a large number of interviews, report on the views of the people regarding a wide range of subjects.

We wish to express our very sincere appreciation to all those persons and groups that consented to interviews. Many local people assisted by conducting interviews and typing the transcripts and we are grateful. We also wish to thank Mr. W. R. B. Trow, Secretary-Treasurer of the Improvement District of Balmertown and his staff; Mr. V. N. Aultman, Clerk of the Township of Ear Falls and his staff; and Mr. W. D'Arcy Halligan, Clerk-Administrator of the Township of Red Lake and his staff for the use of facilities and a great deal of assistance and co-operation in preparing this brief.

II HISTORY AND DESCRIPTION OF THE AREA

II HISTORY AND DESCRIPTION OF THE AREA

Red Lake is situated at Latitude 51° 02' north and Longitude 93° 50' west. The Red Lake area comprises the Improvement District of Balmertown, the Township of Ear Falls and the Township of Red Lake, as well as the settlements of Madsen, Starratt Olsen and South Bay in Unorganized Territories. The Township of Ear Falls includes the Ear Falls Town Site, Ear Falls Station and Goldpines. The Improvement District of Balmertown includes the Balmertown Town Site, the Cochenour Town Site and the McKenzie Island Town Site.

Ear Falls is located at the outlet of Lac Seul. This is at the north-west end of a lake that is over 80 miles long and 6 to 8 miles wide. At this point, Lac Seul waters empty into the English River which flows westerly into the Winnipeg River. At Ear Falls, the English River drops through two sets of falls (Upper and Lower Ear Falls). Near the south-easterly end of Lac Seul is a village called Hudson, which was a very important staging area for access to the Red Lake area.

Below Ear Falls, the Chukuni River flows into the English River. Going upstream along the Chukuni River, one encounters a number of lakes, rapids and water falls, including Pakwash Lake, Gullrock Lake, Two Island Lake, Keg Lake and Red Lake. Red Lake is approximately 25 miles long, lying in an east-west direction and averaging two miles in width. The present town sites of Red Lake, Balmertown and Cochenour are located around the south-east shore of this lake and McKenzie Island is a settlement on an island by the same name, in Red Lake, opposite Cochenour.

Lac Seul was named by the early French fur traders as Lac Seulment, meaning "Lonely Lake". It is a beautiful long lake with a rugged winding shoreline and many islands in it.

Indian legend tells that Red Lake obtained its name in the following way. Indian hunters, long before the coming of the white man, came upon a great animal foraging along the shore. Thinking that this animal was "Matchee Manitou" or "evil spirit", they killed the animal and its blood flowing into the lake as it was dying, turned the water red giving the lake its name.

The history of the area can be divided into three periods. The first period was the occupation of the area by Indians only. The second period was the coming of the white man and fur trading. The third important period began with the discovery of gold in the Red Lake and Woman Lake areas. This resulted in permanent settlement of the area by white people, after the first gold mine came into production in 1930.

(a) Prior to The White Man

The area was originally occupied by Indians of the Cree and Sioux nations. These were descendents of the early Black Duck culture. Not much is known about this period since no written history was kept, although artifacts would indicate that it has been occupied for at least 2,000 years. Two to three hundred years ago, the Ojibway groups moved westerly into the area as the Crees moved north and the Sioux moved west.

(b) Fur Trade

French traders moved into the Lake Nipigon area probably around 1650 and the Ojibway travelled from the Red Lake area to Lake Nipigon to trade furs, principally beaver, but also lynx, otter, moose hides etc., for implements and tools, such as knives and axes, which were vast improvements over the stone tools that they had been using up until this time. Within a few years, the Indians heard

(b) Fur Trade (Cont'd)

that another race of white man, the English, were located on the mouth of the Albany River at Hudson Bay. By this time, the Indians had grown tired of dealing with the French. There were disagreements in their dealings and trade practices. The English, however, treated the Indians differently, wore uniforms and displayed a discipline that the Indians respected.

The English and French were at war periodically and this hostility extended to the trading posts, where there was competition for the furs that the Indians offered in trade. Both the English and the French started to move their trading posts further inland in order to entice the Indians to deal with them. In 1743, the Hudson Bay Company established a trading post at Henley House, 120 miles west of Fort Albany on the Albany River.

The French started moving inland as well and established outposts as they moved inland, including one on Lac Seul. Minor skirmishes developed as the French and English began raiding each other. The French also started raiding the Indians. The Indians trusted the English more than they did the French and preferred to trade with them. Around 1760, the Indians found it necessary to pass French outposts stealthily at night, lest the French intercept the canoes and steal furs from the Indians.

It was about this time, that the Indians were introduced to alcohol. This had a devastating effect on the Indian nation and led to drunkenness, quarrels, internal fighting, killing and wounding of friends, relatives and neighbours and ultimately, to Indian wars since the Indians started to find themselves without the necessary furs to trade at the end of a winter season. Measles, smallpox, and the common cold also began to occur and between the Indian wars and European diseases, large portions of the Indian population were wiped out.

(b) Fur Trade (Cont'd)

Until 1777, there was very little recorded history of events in the Red Lake area. In that year, Gloucester House was established 243 miles west of Henley on the Albany River. George Sutherland explored the Red Lake area and John Long wrote of Red Lake. Mention was made of "Three Rivers". This was later named Mattawa and is the confluence of the English and Chukuni River systems.

At that time, two posts belonging to French fur traders were established on Lac Seul. Joseph LaForme operated one and Germain Maugenest operated another one. In 1782, there was a smallpox plague which few of the Indian population survived and in 1784, there were no traders on Lac Seul. In 1784, the Northwest Fur Company of Montreal was formed. This provided more competition for the Hudson Bay Company and in 1786, Osnaburgh House was built by John Best on Lake Joseph for the Hudson Bay Company. Also in 1786, Red Lake House was built by the Northwest Fur Company. In 1790, James Sutherland built a Hudson Bay post at Red Lake.

In 1804, Donald McKenzie was living on a large island in Red Lake. He heard of the approach of hostile Indians and fled but the Indians caught up to him and killed him near Sioux Lookout. That island has been called McKenzie Island ever since.

The Red Lake - Lac Seul area became important for fur trading. Great competition existed between the Northwest Company and Hudson Bay Company. By 1810, several posts had been located on Lac Seul and in the immediate area. In 1821, the Northwest Fur Company was bought out by the Hudson Bay Company. At about this time, Mattawa became an important outpost.

(b) Fur Trade (Cont'd)

In 1858, William Sinclair came up the English River and set up a post at the north-west end of Lac Seul. This was probably in the vicinity of present day Goldpines.

Of all the family names connected with the early history of the Lac Seul - Red Lake area, McKenzie is probably the one which recurs most often. As mentioned above, Donald McKenzie probably gave his name to McKenzie Island. In the early 1820's, Charles McKenzie had a post on Lac Seul near the south-west end. In 1870, James B. McKenzie took charge of the Hudson Bay post on Lac Seul. In 1889, James D. McKenzie took over the Lac Seul post from his father.

Christianity came to the area in approximately 1845. Peter Jacobs (a local Indian) was ordained in the Methodist Church and came back to do missionary work on Lac Seul.

On October 3, 1873, Treaty No. 3 was signed, with the Indians of the Saulteaux and Lac Seul tribes of the Ojibway Indians. The area covered was bordered on the east by the Winnipeg River Watershed, on the south by the U.S. Border, on the west by the Winnipeg River and on the north by the height of land dividing the Albany and English River systems.

Fur trading continued to be an important activity of the area. In 1912, a Hudson Bay post at "Ku-Chi-Ching" was opened and called Pine Ridge. This is probably at the location of present day Goldpines. Also in that year, a fur farm was started on Gullrock Lake. During the first war, with many of the men away at war, the fur business declined. In 1918, George Swain made an attempt to revive the fur farm and started a trading post on Gullrock Lake.

(b) Fur Trade (Cont'd)

Several traders settled in the area. They were not very successful, however, and shortly thereafter the fur business declined. Red Lake however, was just starting on the way to major fame.

(c) Discovery of Gold

In 1872, Mr. A. R. C. Selwyn of the Geological Survey of Canada noted the presence of sedimentary and volcanic rock of the Huronian ore-bearing type in the Red Lake area. Eleven years later, Mr. Robert Bell of the Geological Survey of Canada made a survey of Red Lake. In 1893, D. B. Dowling, also of the Geological Survey of Canada, made a geological map of the area and this was the only one in existence until about 1924. He noted the mineral content of the rocks in Red Lake and the Woman Lake area and recorded the presence of an iron ore deposit at Bruce Lake. This mapping was the start of a thirty-year period of prospecting and claim staking.

In 1895 and 96, Jonah Tennyson was prospecting in Red Lake. In 1897, Mr. R. J. Gilbert of the Northwestern Ontario Development Company discovered gold in Red Lake. He was of the opinion, at this time though, that the area was too remote, the gold too difficult to mine and the transportation too arduous to effectively develop the gold. In 1909, Malcolm McDonald did prospecting work in Red Lake. In 1912 Norman Davis prospected in Red Lake for gold and Timothy Crowley staked the iron ore body on Bruce Lake. In 1919, a man by the name of Nels Anderson prospected in Red Lake.

(c) Discovery of Gold (Cont'd)

In 1922, the first RUSH to Red Lake was caused by an unusual occurrence. In 1918, George Swain found, in one of the abandoned cabins of the Northwestern Ontario Exploration Company in Slate Bay, a piece of native silver ore with cobalt bloom on it. He kept this sample at his trading post for a few years and one day, one of the Indians at the post noticed the sample and indicated that there were similar rocks in East Bay. Swain became interested in this and eventually took the ore samples to Winnipeg. Four prospectors became interested and raised capital for a trip to Red Lake. Six claims were staked and nine ore samples were taken back to Winnipeg with them, only two of which did not assay gold. This started the first RUSH to Red Lake and although most of the prospectors came there looking for silver, it was gold that they found. Although they were rich showings of gold, it required money to mine the ore and many of the prospectors let their claims go open and revert to the Crown because they were not able to raise sufficient capital.

There were only two ways to reach the Red Lake area at that time. During the summer, by boat from the Lac Seul - Hudson Bay post near Hudson, to Pine Ridge (Goldpines), then two short portages at Upper and Lower Ear Falls, then by canoe along the English River to Mattawa and into Pakwash Lake. At the north end of Pakwash Lake, there is another portage at Snake Falls where the water dropped about 6 feet. From there, they followed the Chukuni River to Long Portage. Further up the river, Snowshoe Portage led to Gullrock Lake and after crossing this, they passed through narrows into Keg Lake, where there was a short portage across Frog Rapids.

(c) Discovery of Gold (Cont'd)

From there, the Chukuni River led to Red Lake. During the wintertime, approximately the same route could be followed with dog teams and snowshoes. The entire trip was about 180 miles by water and somewhat less overland during the wintertime. In the summertime, blackflies and mosquitoes were a constant menace; in the winter-time, arctic weather and slush on the lakes were terrible hardships.

In the summer of 1922, Dr. E. L. Bruce of Queens University, Kingston, Ontario, was engaged by the Ontario Department of Mines to make a detailed geological survey of the upper part of the English River Valley. This report was finally published in 1924 and led to renewed interest in the Red Lake area.

In 1925, several prospectors came into the Red Lake area and started to restake claims which went opened due to lack of work after originally being staked in 1922. Among these persons were Lorne Howey, Jack Hammell, Bill Cochenour and Dan Willans. These and others were successful in finding very encouraging deposits of gold and by the first of January, 1926, news of the exciting new finds had reached the outside world. This caused one of the greatest gold RUSHES in our history.

The first gold was discovered in Red Lake in 1897, the same year as the Klondike discovery but the Red Lake district has now far surpassed the production of gold from the Klondike. During January, February and March of 1926, the Town of Hudson, Ontario became the staging area for one of the greatest gold rushes in the world. More than a thousand men walked, drove dog teams and rode on sleighs to get from Hudson to Red Lake. As many as 6,000 dogs were used in dog teams to pull toboggans carrying food and supplies and equipment.

(c) Discovery of Gold (Cont'd)

Hudson became a boom town. New businesses and homes sprang up everywhere. Every train into Hudson brought more men looking for a place to stay, food, supplies, tools and dogs. Anyone with a dog team who normally trapped in the wintertime changed to the freight business instead. The trip into the frozen wilderness took six days and nights in very severely cold weather.

In March, 1926, Jack Elliot formed J. V. Elliot Air Service Limited to provide the first commercial air service into Red Lake from Hudson. This was an event important in Canadian aviation history since it was a proving ground for the transportation of men and materials into remote areas by commercial air service.

Several efforts were made to have a railway built into this area. On March 31, 1926, the Kenora Board of Trade urged the Minister of Mines to consider the construction of a Kenora - Red Lake Railway. The most notable efforts were related to Bill 95, a bill to charter a company to construct a railway from Quibell, Ontario to a point near The Pas, Manitoba, passing through Red Lake. It was to be called the Red Lake and Northwestern Railway. It went before Parliament at least four times but was defeated everytime for various reasons. It was considered that this railway could become a "white elephant". The Manitoba Legislature was against chartering a railway in Manitoba that went into another province. Some members of Parliament said that if a railway was needed, the Canadian National should build it instead of a private company. Others felt that it invaded Provincial rights.

(c) Discovery of Gold (Cont'd)

In April 1926, a new air service from Kenora to Red Lake was announced by Capt. J. M. Clark of the Central Canada Airlines Limited. The Red Lake Transport Company was formed using 60 teams of horses for freighting between Hudson and Red Lake.

As the spring wore on, transportation over the ice had to be terminated and transportation now started over water and portage. The Red Lake Transport Company had stern-wheel barges and tugs with freighter canoes. Several entrepreneurial persons cleared larger portages around the rapids and waterfalls and in some cases, installed steam winches with rails and carriages to carry heavy freight over the portages and into the next body of water. The Lac Seul Transport Company was formed using motor launches. Skis were taken off the airplanes and replaced with floats. The RUSH was still on to Red Lake.

In the summer of 1926, a massive exodus of prospectors from Red Lake occurred when free gold was discovered in the Woman Lake area, forty miles to the east. Many of the prospectors left Red Lake at that time to go to the new gold fields in the area of the present South Bay Mines. There were twice as many discoveries of visible gold on the surface in 1926 than in Red Lake. During the period 1927-28, much more mining development exploration was being done in Woman Lake but in the long term, the Red Lake area has been much more productive, producing about \$513 million in gold bullion from 15 mines compared to \$700,000. in gold bullion produced by 7 mines in the Woman Lake area.

(c) Discovery of Gold (Cont'd)

The RED LAKE LOOKOUT and the PATRICIA DISTRICT NEWS were printed in first editions on July 14, 1926. Medical services came to Red Lake in June, 1926.

On June 1, 1927, the Howey Bay Mine Shaft was started. In 1929, a 500-ton-per-day mill was built, designed by the General Engineering Company of Toronto. At the same time, a hydro electric power generating plant was build at Ear Falls by the firm of Beatty & Morrow Limited and a transmission line was built to the Howey Gold Mines at Red Lake. The power was turned on July 27, 1930; gold production started on April 2, 1930. Mining ceased on November 5, 1941, after producing 421,000 ounces of gold and 144,000 ounces of silver for a value of \$13,256,000...

<u>Name of Mine</u>	<u>Production Period</u>	<u>Value of Gold</u>
1. Howey Bay Mines Ltd.	1930-1941	\$ 13,256,000.
2. McKenzie Red Lake Gold Mines Limited	1935-1965	\$ 23,695,000.
3. Red Lake Goldshore Mines Limited	1936-1938	\$ 738,000.
4. The Gold Eagle Gold Mines Limited	1937-1941	\$ 1,407,000.
5. Madsen Red Lake Gold Mines Limited	1938-1972	\$ 81,699,000.
6. Hasaga Gold Mines Limited	1938-1952	\$ 8,246,000.
7. Cochenour-Willans Gold Mines Limited	1939-1971	\$ 41,362,000.
8. Margret Red Lake Gold Mines Limited	1940-1949	\$ 2,736,000.
9. Starratt Olsen Gold Mines Limited	1948-1956	\$ 6,000,000.

(c) Discovery of Gold (Cont'd)

	<u>Name of Mine</u>	<u>Production Period</u>	<u>Value of Gold</u>
10.	Dickenson Red Lake Mines Limited	1948-1976	\$ 93,714,346.
11.	Campbell Red Lake Mines Limited	1949-1976	\$232,100,000.
12.	H. G. Young Mines Limited	1960-1963	\$ 2,597,000.
13.	Anco Mines Limited	1965-1971	\$ 2,160,000.
14.	Wilmar Mines Limited	1967-1971	\$ 2,528,000.
15.	Robin Red Lake Mines Limited	1970	N/A

There are over 50 mine shafts in the Red Lake District. The deepest one of these is almost 5,000 feet. Perhaps in the future, if the price of gold rises sufficiently, mines will reach even greater depths. It is interesting to note that the sum of the values shown above is about \$513 Million. But these are based on values of gold at the time of sale (ranging from \$20.00/oz in 1930 to over \$200.00/oz). Based on current prices of \$180.00 Can./oz, this would be valued at about \$1.5 Billion.

The construction of the power dam at Ear Falls was one of the most important events in the Red Lake District. It made possible the construction and operation of the mines. The work was begun in 1928 at Lower Ear Falls. The dam was designed as a pier and stop-lock structure 44 feet high with gravity end walls. The over-all length was 600 feet. The potential storage space thus created would have a capacity of 3.3 Million acre feet. This made it larger than the capacity of the reservoir for the Aswan Dam in Egypt. The dam has a potential hydro-electric power

(c) Discovery of Gold (Cont'd)

capacity of 30,000 horsepower under the head of 36 feet. It was built by Beatty and Morrow Limited, and the costs were shared by the Federal Government and the Provincial Governments of Manitoba and Ontario.

In the Woman Lake area, as noted previously, there were 7 mines. These included Jackson-Manion, the Duncan Mine on Narrow Lake, the Bathurst Mine 5 miles north of Duncan, the Bojo Mine on Lost Bay, Casey's Summit Mine and Sol D'Or Mines Ltd. While there was a much greater showing of gold at the surface, the Woman Lake area could not produce well in the long run and had a fairly short life. They were very important however in the establishment of the settlement of Goldpines, which is still in existence and close to the present Ear Falls town site. In 1938, a road was built from Goldpines to Uchi Lake. It was called the Uchi Road. This road is still in existence today and presently serves the South Bay Mine on Confederation Lake.

In 1938, a new phenomenon began to penetrate the district. Occasionally, a party of ardent fishermen or hunters from the United States would arrive at Hudson, complete with camping equipment. They would hire a guide with a boat and motor to take them to some remote location and leave after a week or so, their bags full of game and fish. This was the start of what is now one of the most important industries in the area, tourism.

(c) Discovery of Gold (Cont'd)

After the end of the Second World War, the Provincial Government started the construction of a highway into Red Lake. The first section left the Trans-Canada Highway near Vermilion Bay. In 1946, contracts were let for the 115 miles of highway between Vermilion Bay and Red Lake. Construction continued all year and the highway was finally opened in August, 1947. This meant a significant change in the way of life to the people in the Ear Falls and Red Lake areas. Instead of relying on water transportation in the summer and tractor and sleigh transportation in the winter, road transportation became a reality. In 1948, the water freight route to Red Lake closed down completely.

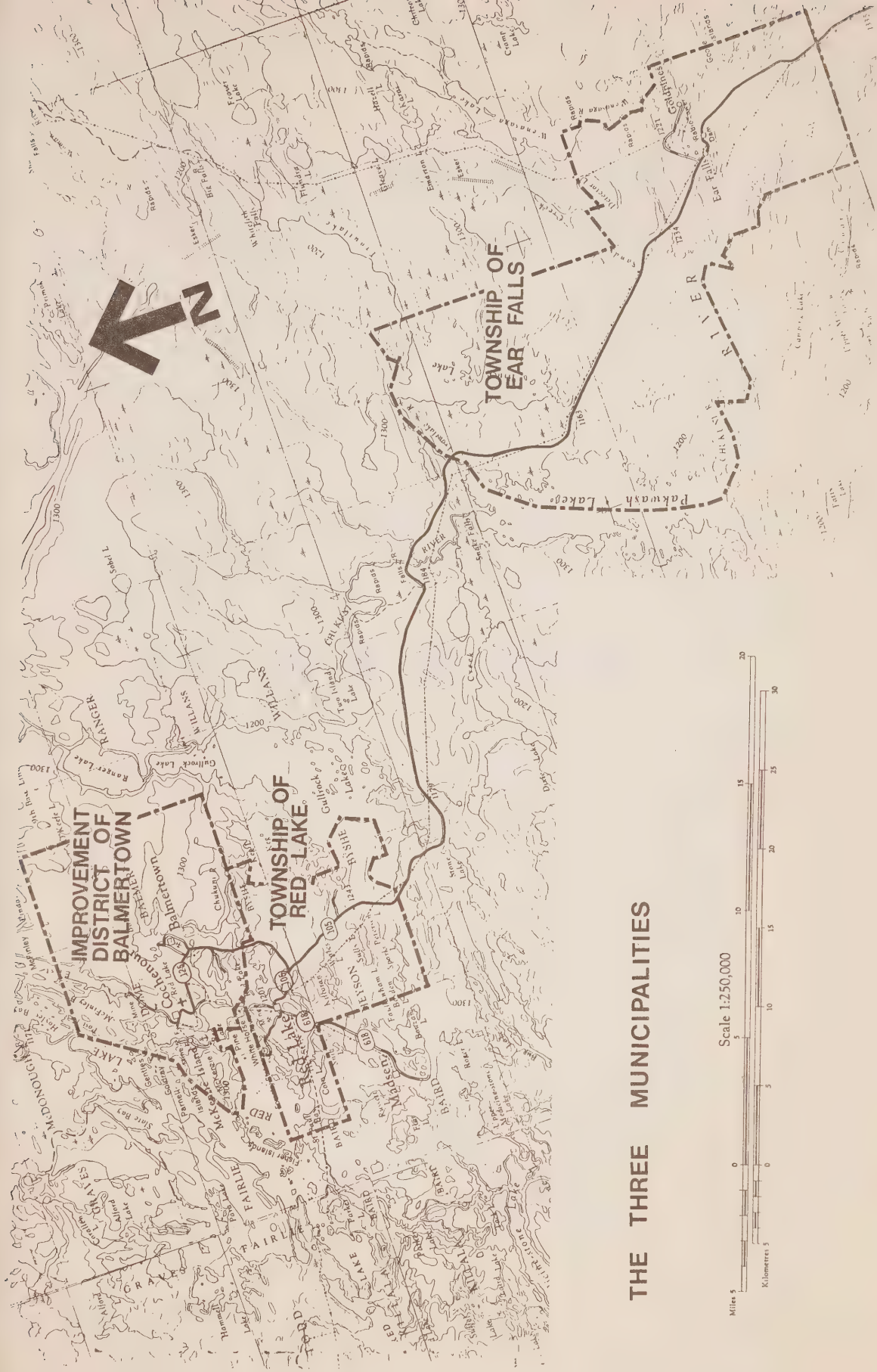
One of the sad parts of the history of the area involves Packwash Lake. Packwash Lake is a large open lake but is shallow and winds are capable of causing treacherous waves. During the time of water transportation, Packwash Lake had to be crossed to get to Red Lake. Everyone knew of Packwash's fearsome reputation but still, many people became victims to this lake. Considering the hazards, there were remarkably few fatalities in the very difficult years of the early prospectors', miners' and residents' trek from the south to the Red Lake area.

In 1956, Ontario Hydro constructed a generating station at Manitou Falls. This raised the water in the English River and Packwash Lake so that now Snake Falls is only a ripple in the river.

(c) Discovery of Gold (Cont'd)

In 1953, the iron-ore deposits at Bruce Lake were re-discovered and there was a rush of claim staking all over the lake. This activity subsided, however, and was to remain dormant until the properties were purchased by Stelco in 1966. At that time, an iron ore mine and pelletizing plant was placed under the management of Pickens-Mather Limited. This is called the Griffith Mine and is now a major employer in the Ear Falls area.

In 1971 South Bay Mine Limited commenced production of copper concentrates. This mine is located at South Bay on Confederation Lake about 50 miles east of Ear Falls. Most of the people working there live in a settlement at the mine.



THE THREE MUNICIPALITIES



III BALMERTOWN, EAR FALLS, RED LAKE

III-BALMERTOWN, EAR FALLS, RED LAKE

A HISTORY

1. Balmertown

The Improvement District of Balmertown is located on the east side of Red Lake. It is composed of three settlements - Balmertown, Cochenour and McKenzie Island.

McKenzie Island was the first townsite that was settled. It provided housing for the McKenzie Red Lake Gold Mines Limited personnel, which started production in 1935. For many years it had the only hospital in the area and many people, who presently live in Red Lake and Balmertown, were born in this hospital.

The stores and hotels, except for one, have now closed and it is a residential community of about 300 people. Better roads, water and sanitary facilities are required, but it is located in a very attractive setting and the people living there would not like to move anywhere else.

It is separated from Cochenour by the McKenzie Channel, which is about 1/2 mile wide. Access to McKenzie Island is by ferry from Cochenour in the summertime and by road over the ice in the winter. During freeze-up and thaw...access to the island is difficult.

The Cochenour townsite was started in about 1938, to serve the Cochenour-Willans Gold Mines Limited mine. This is a well designed townsite with good homes and community facilities. Present population is about 600 people.

The Balmertown townsite was started after WW-II to serve first the Dickenson Red Lake Mine and then the Campbell Red Lake Mine, which started production in 1948 and 1949 respectively. The present population is about 1,160 people, but there are plans for significant new development, should the need arise. The municipal buildings, the library and most of the commercial outlets for the Improvement District are located in Balmertown.

1. Balmertown (Con't)

The Improvement District of Balmertown was incorporated in 1950.

At the present time, the two major employers are the Dickenson Red Lake Gold Mine and the Campbell Red Lake Gold Mine with a total of 572 jobs.



2. Ear Falls

The township of Ear Falls is located at the northwest end of Lac Seul, where Lac Seul waters empty into the English River. It is located on Highway 105, about 70 miles north of Vermillion Bay and 40 miles south of Red Lake. The Ear Falls townsite as well as Goldpines and Ear Falls Station are located within the municipality.

Mattawa and Pine Ridge (later called Goldpines) were important fur trading posts in the late 1700's and 1800's. The discovery of gold in the Red Lake area in 1922 and the eventual gold rush in 1926, made Goldpines a very important link in the transportation facilities from Hudson to the gold fields. The portage at Ear Falls leading from Lac Seul to the English River, permitted men, equipment and materials to proceed on the Red Lake from the barges and boats arriving daily from Hudson, the closest point of rail service. Goldpines was also an important Seaplane base serving the Woman Lake area, which attracted the attention of prospectors after the initial flurry in Red Lake.

The Ear Falls dam was constructed in 1928 to provide power for the first operating gold mine in Red Lake. The first generator was installed in 1929, the second, third and fourth generators were installed in 1937, 1939 and 1948 respectively, to keep up with growing demands for power from Red Lake.

The "hydro colony" was formed in 1928 with a few shacks on the south side of the river. Construction workers and transportation company employees located north of the river, in what is called "Little Canada".

2. Ear Falls (Cont'd)

Ear Falls continued to be a minor settlement however, with Goldpines sporting a number of hotels, a school, a Hudson Bay Post and the Post Office, as well as a significant number of docks related to both air and water freight activities.

The hydro colony grew significantly in 1937 with the installation of the second generator. When Highway 105 was constructed in 1947, Ear Falls had its first ground transportation link with the rest of the country. This event marked the beginning of the end for lake transportation and Ear Falls started to grow rapidly, while Goldpines declined in importance.

When the Griffith Mine was opened on Bruce Lake in 1966, rapid development occurred in Ear Falls. The population grew from approximately 600 people in 1966, to a present population of 1,963.

Ear Falls gained Improvement District status in 1970 and became a township on January 1, 1973.

At the present time, the major industries are mining, which accounts for 500 jobs, the tourist industry - 175, forestry - 185 and Ontario Hydro - 40.



3. Red Lake

The Township of Red Lake is located at the southeast end of Red Lake. The history of the townsite is essentially the history of the gold mining in the area.

Fur trading was carried on at several outposts around Red Lake in the 1800's, but the area became famous in 1922 with the first gold rush. Prospectors came to the area looking for silver but found gold. A second and more significant gold rush occurred in 1925 and 1926 and the first mine, Howey Gold Mine, started production in 1930.

The townsite was first settled permanently in 1926 to serve the approximately 1,000 prospectors who came to the area. Permanent residences were built almost immediately to house the men working on the Howey mine shaft. During the period 1930 to 1940 the townsite grew rapidly to serve the various mines that were put into production. Since 1950 growth has slowed dramatically but the townsite has a well established and varied social base.

During the 1950s and '60s, tourism flourished and many government services were located in Red Lake. The township is now the centre of community and social services for the Tri-Municipal area and the service centre for the 4-5,000 Natives living on reserves north of Red Lake.

The present population is approximately 2,300 people. Red Lake was incorporated as an Improvement District in 1955 and it was incorporated as a Township in 1960.

3. Red Lake (Cont'd)

At the present time all of the gold mines that were located within the township have closed. The major industries are tourism and government services. Red Lake also has a 44-bed hospital and excellent medical staff that serve the Tri-Municipal area. Also it has the only high school serving the three municipalities.

B. MUNICIPAL STATISTICS

	Balmertown			Ear Falls	Red Lake	Madsen & Starratt Olsen
Population	2,047			1,963	2,290	180
Growth 1965-1976	2.3%			180%	11.6%	NIL
Res.	53,254			87,571	28,269	N.A.
Govt. of Municipal Government	Imp. Dist.			Township	Township	Unorganized Territory
Assessment Comm. & Ind. Business Res.	\$1,729,760. \$ 110,000. \$1,650,615.			\$4,260,320. \$2,254,210. \$1,165,315.	\$ 390,740.. \$ 751,835. \$1,597,200.	\$ 182,230 --- \$ 215,250
Law Enforcement	OPP			OPP	OPP	OPP
Planning Local Plan. Bd. Zoning By-Law	Yes Interim			No Minister's order (By- Law under preparation)	Yes Interim	No No
Official Plan	Under preparation			Will be prepared soon	Under preparation	Judge's plan
Waste Treatment Type	Bal.	M.I.	Coch.	Mun. (Main Townsite) 5,000 Septic Tank Hydro Colony & Goldpines	Municipal 5,000 when complete Extension ready for tender	Septic Tank N.A. ---
Capacity	Mun.	Sep.	Sep.			
Comments	1800 when comple. Ready for tender call	N.A. Report in pre- par- ation	N.A. Re- port in pre- par- ation			
Water Supply Mun. Plant or Private	Private	Mun.	Private	Municipal	Municipal	Private
Capacity-- suff. pop.	N.A. (Mine)	400	N.A. (Mine)	5,000	5,000	N.A. (Mine)
Reservoir Comments	Yes ---	No Report in pre- par- ation	Yes Report in pre- par- ation	*Yes *Under construction	*Yes *Standpipe under construction	Yes ---

MUNICIPAL STATISTICS (Cont'd)

	Balmertown	Ear Falls	Red Lake	Madsen & Starratt Olsen
ing				
k				
ivate	270	540	523	73
ner				
ntal	361	224	225	
cant				
rviced	NIL	141	6	---
ts				
ts				
der				
raft	675	110	71	NIL
an		Areas Designated for future dev- elopment can accommodate ad- ditional 2,000 people or more		
oyment				
primary	572	497	N.A.	---
secondary				
Service	133	177	657	---
male	51	86	307	---
lties				
ydro	Yes	Yes	Yes	Yes
s	No	Yes	No	No
eeophone	Yes	Yes	Yes	Yes
e Female				
i)	126:100	134:100	109:100	109:100

The following notes are in explanation of the "Municipal Statistics":

1. Red Lake and Balmertown have been formed into the Red Lake Joint Planning Area. This also includes Madsen and Starratt Olson. A consultant has just been appointed to prepare an Official Plan and Zoning By-Law and this should be presented to the Ministry of Housing for approval in December, 1978.
2. Bal. means Balmertown; M.I. means McKenzie Island; Coch. means Cochenour.
3. A municipal sewage treatment plant has been designed for Balmertown Townsite. Tenders can be called when funding is approved by the Province.
4. A report on Sewage Treatment and collection and water treatment and distribution is currently being prepared for the Cochenour and McKenzie Island townsites. This may result in the construction of better water and sewage facilities in the near future.

Ear Falls contemplates and can provide for significant new development (to 5,000 persons and beyond) as extensions to the present townsite on the north side of the English River.

Balmertown townsite can similarly provide land for large amounts of new development. Smaller amounts of new development are contemplated at Cochenour.

No new development is presently being planned for McKenzie Island, Madsen or Starratt Olson.

Red Lake can very likely have significant expansion. The terrain is more difficult but with the current Official Plan Study underway, it is expected that suitable development areas will be identified.

C. COMMUNITY AMENITIES

	BALMERTOWN	EAR FALLS	RED LAKE (Includes Madsen & Starratt Olsen)
TRANSPORTATION	<ul style="list-style-type: none"> - Airport, 4000' runway - 19 Charter aircraft - Seaplane base - 8 Daily scheduled flights (N & S) - Bus service - 1 taxi 	<ul style="list-style-type: none"> - Proposed airfield - 6 Charter aircraft - Seaplane base - 5 taxis - Local bus service - Railway 	<ul style="list-style-type: none"> - Aircraft maintenance service - 16 Charter aircraft - Seaplane base - Local bus service - 13 taxis
HEALTH SERVICES	<ul style="list-style-type: none"> - Home for Aged - Air Ambulance 	<ul style="list-style-type: none"> - 1 Physician - 1 Dentist - 1 Health Unit (1 employee) - 1 ambulance 	<ul style="list-style-type: none"> - 44 Bed hospital - 5 Physicians - 1 Dentist - 1 Optometrist - 1 Health unit (5 employees) - 1 Pharmacy - 1 ambulance
EDUCATION	<ul style="list-style-type: none"> - 2 Public elementary schools - University Extension courses 	<ul style="list-style-type: none"> - 2 Public elementary schools - University Extension courses 	<ul style="list-style-type: none"> - 1 High school - 1 Public elementary school - 1 Separate elementary school - School for retarded - Mennonite school - University extension course
SOCIAL SERVICES	<ul style="list-style-type: none"> - 4 Churches - 1 Library 	<ul style="list-style-type: none"> - Senior Citizens - Day Care - Children's Aid - Metis Association - 5 Churches - O.P.P. (5 officers) - 1 Library - Information & Referral Service 	<ul style="list-style-type: none"> - Senior Citizens - Children's Home - Ministry of Community and Social Services - Children's Aid - Day Care - Indian Friendship Centre - Senior Citizens Drop-In Centre - Ministry of Correctional Services - Indian Secretariat - Centre for Handicapped - Provincial Court - Small Claims Court - 7 Churches - O.P.P. (17 officers) - Mennonite Mission Headquarters - Alcohol and Drug Addiction - 1 Library - Metis Association

	BALMERTOWN	EAR FALLS	RED LAKE (Includes Madsen & Starratt Olsen)
ERNMENT addition hose ed under al Ser- s)	- Local, 24 emp.	- Local, 20 emp. - Ministry of the Environment, 3 emp. - Ministry of Natural Resources, 1 emp. - Ministry of Trans- portation and Communications, 5 emp.	- Local, 24 emp. - Ministry of Natural Resources, 35 emp. - Ministry of Northern Affairs, 2 emp. - Ministry of the Environment, 2 emp. - Sheriff - Mine Rescue, 1 emp. - M.T.C., 5 emp.
REATION	- Arena - 2 Curling rinks - 2 Halls - Golf course - Ski area - Marina - Yacht Club - 3 public beaches - Nature Trails - 2 tennis courts	- Arena - Curling rink - Legion Hall - Tennis court - Public beach - Nature Trails - Museum - Marina - Provincial Park	- 2 Halls - Movie theatre - Bowling alley - Marina - Yacht Club - 2 Beaches - 2 Tennis courts - Nature trail
IALIZED VICES	- 2 Justice of the Peace	- 2 Justice of the Peace - 1 Veterinarian	- 1 Lawyer - 2 Notaries - 1 Bookkeeper - 1 Land surveyor - 1 Mortician - 2 Justices of the Peace
LS & LS	- Two 42 Rooms - Tourist Camps	- Two 49 Rooms - Tourist Camps	- Three 89 Rooms - Tourist Camps
ML BLISH- S	- 16 Businesses	- 35 Businesses	- 91 Businesses

NOTE: Emp. means Employee

IV SOCIAL DEVELOPMENT ISSUES

IV SOCIAL DEVELOPMENT ISSUES

This is an analysis of certain aspects of social structure but is not a complete social analysis. This is an examination of a number of social issues related to the current situation in the Tri-Municipal Area.

The Concept of Community

The Tri-Municipal Area is viewed as a community. The term "community" has a fairly standard sociological useage. In social analyses of settlements, most definitions include the following elements:

1. A population
2. A definable or understandable territory (this territory does not necessarily coincide with municipal, political or administrative boundaries)
3. A system of exchange of goods and services
4. A system of social relationships which includes
 - a) families, kinships, friendship and informal groupings ;
 - b) Formal institutions, such as governments, associations, churches, etc.;
 - c) Shared symbols, modes of expression and manners.

A pre-industrial village was a relatively complete community in which people rarely went beyond the boundaries for social or economic needs. "Community" in a modern context is a relative concept.

In the Tri-Municipal Area, there are several ways of viewing community. Each of the municipalities, together with some places nearby (such as, Red Lake in relation to Madsen) might be considered communities. However, this would be a limited approach as there are considerable interchanges between the municipalities. To some extent, Red Lake and Balmertown, together, might be considered a community as there is a great deal they share between them.

The three municipalities together, with Madsen and Starratt Olsen, are considered a community because there is a considerable amount of social and economic exchange between them. The Tri-Municipal Community has the following populations:

Township of Red Lake with	
Madsen and Starratt-Olsen	2,500 persons
Improvement District of	
Balmertown	2,000 persons
Township of Ear Falls	2,000 persons
	<hr/>
TOTAL:	6,500

As a community, the Tri-Municipal Area has the following characteristics:

1. They are located within 50 miles of each other;
2. Have a population of over 6,500 persons;
3. Share certain services, including:
 - a) federal and provincial government agencies
 - b) a single education system
 - c) air and road transportation facilities
 - d) social and health services
 - e) certain business services
4. Co-operate on several certain endeavours such as the Tri-Municipal Committee;
5. Share certain social relationships through associations, kinship and visiting;
6. Most of the services listed under No. 3 above are located in the Township of Red Lake. The main airport is located at the Cochenour Townsite in Balmertown. Over 200 workers from Red Lake and Balmertown are employed in the iron ore mine in the Township of Ear Falls.

However, the Tri-Municipal Area is the centre of a still wider community which includes the following:

1. The settlements indicated above;
2. Approximately 15 Indian reserves and isolated villages in Ontario and Manitoba located northward from the Tri-Municipal Area, for whom the Tri-Municipal Area is:
 - a) an air service centre
 - b) a supply centre
 - c) a source of health, recreation, welfare and religious services
 - d) a place with family kinship and political connections.
3. Other settlements such as South Bay (50 miles east of Ear Falls) and Perrault Falls (40 miles south of Ear Falls) and other smaller bush camps. For these settlements, the Tri-Municipal Area is a commercial, government, social and health services centre. Children from these settlements attend high school in Red Lake.

This larger community, together with the three municipalities, has a total population of 12 to 13,000 persons. Many social, economic and political events which occur within the three municipalities have significance for the people in the larger community. The importance of the three municipalities to this larger community will probably grow in the course of time.

The Concept of Frontier Community

The small communities of north-west Ontario, especially those north of the 50th parallel, are often described as "resource-based" or "single-resource" or "single-industry" communities. These terms do not describe the communities of the north adequately and could be applied to some communities in southern Ontario. These terms also do not indicate the complexities that

are found in many of the northern communities. The term that is preferred here is "frontier community".

As a frontier community, the Tri-Municipal Area has certain characteristics common to this type of settlement. These are as follows:

1. A small population within a very large territory;
2. Settlements are fairly small;
3. Population centres are located fairly far (by land transportation) from any major population centres;
4. They are at a distance from the main transportation links in the country (e.g., the Trans Canada Highway, the Trans Continental Rail lines);
5. Certain social and economic functions:
 - a) primary industry (mining, lumber and primary processing)
 - b) transportation centre for land and air services, not the major airlines
 - c) federal and provincial government service centres
 - d) retail goods, professional services
 - e) educational, social, health and recreational facilities
 - f) services to natives
 - g) tourist services

Many frontier communities, including the Tri-Municipal community, have all of the activities listed above to some degree or another. In other parts of Canada, some frontier communities are more specialized. For instance, there are communities whose economic base is services to natives and tourists. Others exist as transportation exchange points. Over the years, there have been a number of fluctuations in population. Gold mining, one of the mainstays of the area, has declined. In response, the

population dropped for a while. However, the community continued to exist and operate as a functioning social and economic unit because of the other factors present in the area.

Industrial Character of the Tri-Municipal Area

The following is a brief description of the industrial character of each of the three settlements in the Tri-Municipal community.

Balmertown: The major employers are two gold mines. A number of residents are employed in public services, tourist services, retailing and transportation. Many of the residents are employed in Red Lake, especially those in public services. The main airport for the Tri-Municipal Area is located in Cochenour

Ear Falls: The largest employer is the Griffith iron ore mine and a mill for the first stages of processing. Long before the mine, the Ontario Hydro Electric Power Authority maintained and continues to maintain a fairly sizable group of workers and their families at a hydro generating project. There are also a number of provincial government forestry personnel working and living in Ear Falls. The Township has retailing and community services. There are also forest industries in Ear Falls. There are a number of tourist camps in the Township, and sea and ski plane services for tourists and transportation northward.

Red Lake: Employment in Red Lake and the employment of the residents are far more diffused. A large number of residents work in the mines at Ear Falls and Balmertown. Others are in public administration, transportation, retail services, health and social services, finance (banks and insurance). The District Board of Education and high school are here. Howey Bay, around

which Red Lake is built, is a major air transportation centre, from which approximately 80 sea and ski planes regularly carry tourists, passengers and supplies to and from the outlying areas.

Issues of the Frontier Community

There are a number of issues of the frontier communities which have some significance for the Tri-Municipal Area.

1. The Company Town

There has been considerable folklore about the "company town", the resource-based community in which there is one predominant employer. The social life and well-being of the town is based on the company. A layoff or strike involves everyone in the town; the social and economic base of the town is narrow and sensitive.

In the Tri-Municipal Area, there are several companies which are important to the social and economic life of the community. In Balmertown, there are two operating gold mines and some non-operating mines which own most of the property, provide many of the community facilities and pay most of the taxes.

Much of the recent growth of Ear Falls has been based on the development of the Griffith Mine by the Steel Company of Canada, which is the main employer among the residents. The opening of this mine in the late 1960's provided employment for workers released from the declining gold mines. The Griffith Mine pays most of the local taxes.

Red Lake has no operating mines and there is no one large or dominant employer, though many residents work in mines. Lacking industry, they are more dependent upon the provincial grant systems to support municipal services.

Although the Tri-Municipal Community has a varied economy as compared with other frontier communities, the destinies of three mines still figure importantly in the life of the community. Political and economic forces overseas, or in Ottawa or Toronto, can have dramatic effects upon the Tri-Municipal Area. Many of the residents are aware of this and in interviews, talked of secondary industry or expansion of the tourist trade beyond the present hunting and fishing operations.

2. Population Turnover

Frontier communities usually experience high rates of population turnover. In some places, 70% of the population turns over every 5 years. These are related to a number of factors, including the following:

- a) social and economic opportunities are limited;
- b) dissatisfaction of women with job opportunities;
- c) concern for education of children;
- d) the narrow range of educational and recreational opportunities for children and adults;
- e) periodic fluctuations in the economy and uncertainties regarding jobs;
- f) a sense of isolation.

Those most likely to leave are the young and the best educated. Where both husband and wife are well educated and skilled, the inclination to leave will be even greater. Answers to these problems lie in some of the following:

- a) increased and diverse economic, social and educational opportunities for adults and children;
- b) improved transportation services to enable residents to reach the major centres.

To achieve these would probably require some increase in public expenditure in these communities and a re-orientation of the social, cultural and economic services of the provincial government.

3. Native Canadians

According to the 1971 Census, native Canadians constituted 21% of the population of the Kenora district. These included "status" Indians as defined by the Indian Act and "non-status" Indians. The native population of Canada and of the district has been growing more rapidly than the Euro-Canadian population. While the health problems are greater and longevity shorter among natives, the health of natives has improved in comparison with conditions of earlier decades. There has been a decline in maternal and child death rates and an increase in longevity. These, along with high birth rates, have produced a rapid rise in the native population.

The economic resources of the Indian reserves are limited. The traditional hunting and fishing economy has declined and would not be suitable to a growing population. There has been a steady movement of natives into the towns and cities of the north.

It is estimated that there are 800 to 900 native residents of the Tri-Municipal Area or about 14% of the total population. Most of the natives are status Indians, although there is a sizable group of non-status natives as well.

The natives have the following residential characteristics:

- a) some are full-time residents of the Tri-Municipal Area
- b) some spend winter months in town and the summer on the reserves
- c) some live in the Tri-Municipal community part of the year and are employed in fishing and hunting camps and lumber camps, moving at appropriate seasons between town and bush.

Most of the natives of the three municipalities are found in the Township of Red Lake, where they constitute approximately 25 to 30% of the population or 600 to 700 persons. On the streets, Ojibway is often heard and sometimes, Cree. Most of the natives resident in the three municipalities have some connection with the isolated settlements in the north and there is a fair movement of people between the towns and reserves for jobs, visiting relatives, recreation, health and social services and other activities.

Natives in the town are a people in transition. They are in the process of making an adaptation from the isolated settlements to the life in the towns. They will have many characteristics typical to life on the reserve, as well as certain characteristics acquired in the town. This process of adaptation is sometimes difficult for both natives and the receiving towns. Cultural differences and economic problems in

the Kenora district have tended to keep natives employed in seasonal, unskilled and low-paying jobs.

Natives are frequently characterized as unable to adapt to life in towns and to urban industrial work conditions. One notable event in the Tri-Municipal Area is the participation of approximately 200 natives in the mines. In large part, this is the result of a conscientious and aggressive effort on the part of gold mine managers to recruit and train natives into mining. This effort took place over several years. This is significant since mining is one of the most esteemed of "blue collar" occupations, celebrated in folklore and song. The result has been to bring economic stability to a number of native families and introduce natives into a fairly demanding industrial activity. Natives are also employed at the Griffith Mine.

The situation of native workers has also been improved by increased employment in government agencies, such as the Ministry of Natural Resources, Ministry of Community and Social Services, etc.

A large number of native families still find their sustenance in some part, especially in the winter months, through transfer payments. These are individuals and families whose incomes come mainly from the tourist trade in which they act as guides, cooks and general handymen. The pay in these jobs is not sufficient to carry them through the winter months. Natives are the major part of the public assistance and child welfare case loads. They constitute a large part of alcohol related problems of the community. Most of the felonies and misdemeanors charged in the community are charged against natives.

The main concentration of natives in the Tri-Municipal community is in the McDougallville area of Red Lake. This is a hilly and somewhat picturesque area, containing a number of dwellings in poor condition. However, most natives in the area do not live in one distinct neighbourhood. The existence of McDougallville is based essentially upon the following:

- a) housing problems, lack of adequate and decent housing at prices natives can afford;
- b) insufficient income;
- c) social and personal problems.

It is believed that an increase in stable employment opportunities, vocational training and personal social services will go a long way to reducing the housing and income problems associated with McDougallville.

While McDougallville exists as a distinct native neighbourhood, there does not appear to be any explicit or implicit policy or practice of racial segregation in the community. Most natives are dispersed throughout the Tri-Municipal community. Increasing numbers of natives have been able to purchase their own homes.

The Tri-Municipal community has considerable importance for natives. It is the supply, service and transportation point for some 4 to 5,000 natives living in reserves and isolated settlements. This is over one third of the natives in the Kenora district.

Whatever occurs in the Tri-Municipal Area has considerable meaning for a large percentage of the natives of the district.

While current population projections for the Kenora District indicate little growth, the native population of the district is expected to grow in number and percentage. This growth will be felt in all parts of the Tri-Municipal community. The number and proportion of natives in the population will increase. Red Lake will experience this change of population more than any other municipality. The percentage of natives in the population of Red Lake is likely to rise to 40% of the total in the 1980's. At the same time, there will be increased communication and commerce with the settlements to the north. Any development of the areas to the north, for forest industries or other purposes, is likely to extend land transportation links with the northern areas. The Tri-Municipal Area will have an important role to play as more natives come face-to-face with the main stream of Canadian society. The opportunities for jobs, education, housing, social and cultural development and the overall quality of life in the Tri-Municipal community will have important consequences for many natives and considerable significance for the relationships between natives and Euro-Canadians.

4. Housing Problems

Housing problems are common to frontier communities. These problems are usually as follows:

- a) periodic shortages of accommodation;
- b) sub-standard housing;
- c) housing needs of low income groups, including natives, elderly people and others.

Throughout most of the history of the Tri-Municipal Area, there have been almost continuous housing shortages. In recent months, there have been indications of an increase in the number of houses for sale in the Tri-Municipal Area. There are a few newly-constructed housing units still unoccupied in the Ear Falls area.

There are very few housing units available for rent. This is an especially important problem in dealing with the housing problems of young couples, older people and moderate income households who cannot afford to purchase a house. This also affects a number of people who come to the area for terms of work or who are uncertain as to whether they will remain. These include school teachers, government officials, technical specialists and young, single people.

While no specific numbers are available, it is obvious to the observer that there are a large number of dwelling units which, by most measures, are sub-standard. This is fairly common in resource communities, except those in which the town site is built by a mining, lumbering or other company. Examples of this are to be seen in Balmertown, the Hydro Colony in Ear Falls and the forestry point in Red Lake.

Housing problems have tended to be more acute in the Township of Red Lake. Red Lake is an "organic" settlement which grew since the 1920's. Until recent times, there was relatively few planning or building controls. The street patterns are irregular and the hill siting of buildings results in an interesting townscape. Many of the dwellings are typical of mining towns of an earlier period. Many dwelling units are sub-standard. Some are without sanitary sewers and lack in-door plumbing. Some parts of the town, with good-quality dwellings, do not have sewage systems. However, each year the Township does make some improvement in the sanitary conditions and the number of unserviced dwellings is decreasing. Most of the sub-standard housing is occupied by natives.

The problems of the Township of Red Lake are complicated by the fact that it must also accommodate a number of temporary residents, including natives coming in for medical treatments, schooling, jobs and court appearances. These periods of temporary residency can range over several months. During the winter months, some natives prefer to live in town. There are also other temporary residents coming for months at a time on professional or public business.

Most parts of the Improvement District of Balmertown and Ear Falls are newer and better planned, sited on more level terrain and with regular street patterns, with moderate to good housing. In Balmertown, most of the housing is or has been owned by mining companies, who have provided housing of fairly good quality to the residents and at moderate prices, either for sale or rental.

In some parts of the area, there are some problems with land tenure because of mining and exploration claims. There are therefore problems for people who wish to buy the homes in which they live from the non-operating mines which own them. There are also a host of other complex legal problems related to the tenure of land because of early mining and exploration activity.

Most of the housing in the Township of Ear Falls is relatively new, less than 10 years old. Previously, most of the housing was found in the Hydro Colony, made up of hydro workers and their families. With the opening of the Griffith Mine, there was rapid growth in Ear Falls. The signs of this rapid growth can be found in the trailer sites and mobile homes. In more recent years, housing has been in the form of the more conventional wooden houses, typical of the communities of the north. Arrangements are in process with provincial government officials to allow trailer owners to purchase land and place their trailers on their own lots.

Both Balmertown and Ear Falls have additional capacity to provide space for new housing. The capacity of Red Lake is somewhat limited. If any major development and consequent population growth were to take place in the Tri-Municipal Area, the residential areas would be spread over the three municipalities. Much of the residential development would be found in Balmertown and Ear Falls. If any multiple dwellings (apartments and row houses) are to be built, it is likely to take place in Red Lake.

The problems of sub-standard housing and the servicing of housing, which are more acute in Red Lake, will have to be dealt with sooner or later. Certain areas will require re-development; others, rehabilitation and new methods of servicing will be required.

The increasing numbers of natives will require appropriate housing programmes. These will have to come in the form of Assisted Home Ownership, non-profit housing, rent supplement programmes and public housing.

Interviews carried on during the community consultation programme indicated many of the residents appeared to support the following assertions:

- a) The environmental standards established in southern Ontario are inappropriate to north-western Ontario. For instance, it is difficult and expensive to place all water and sewage systems underground. The application of this standard adds considerably to the cost of building lots in many parts of the Tri-Municipal community. Many would prefer utilidors or "arctic piping" - that is, services above ground.
- b) There are a number of complex problems related to land tenure because of Crown ownership and mining claims. Both of these make for considerable problem in acquiring land in the area.

5. Women in Frontier Communities

The frontier community is a man's world. This is in contrast to other parts of Ontario where the male/female ratio in Ontario was 100:101 according to the 1971 Census. In large, economically-diverse cities in southern Ontario, the male/female ratio is often 100:105. In the three municipalities, male/female

ratios in 1971 were as follows:

Red Lake	109:100
Balmertown	126:100
Ear Falls	134:100

There has been some change in these figures since 1971 in favour of more females. However, the balance is tipped toward males in the community. Male/female ratios are more than statistical curiosities. There are important consequences of this imbalance. Communities with large imbalances of males to females tend to experience higher rates of population turnover, greater consumption of alcoholic beverages and tend to be more turbulent. The absence of females usually indicates a large number of people living outside the family unit and outside the traditional unit of social control.

Some of the reasons for fewer women are as follows:

- a) Jobs in mines, lumber mills and forests are unattractive to most women and most of these industries do not encourage female employees. However, there are some women working in the open pit mines and in the forests in the area. There are few jobs outside of education and government offices for women with clerical or professional skills.
- b) Upon breakup of families through separation, divorce or death, the female partner is more likely to move to a larger town or city. The male partner is more likely to remain because of jobs.
- c) Many married women find social life and job opportunities unsatisfactory and refuse to live in the frontier community. As a result, a number of married men work in frontier communities but support and visit families living elsewhere.

The more nearly imbalanced ratio of men to women in the Township of Red Lake is indicative of the measures that are needed. In Red Lake, there are more job opportunities in stores, offices, social and health services and public administration. If there is an expansion of the tourist, business, public administration and community services, there will probably be more job opportunities for women in the Tri-Municipal Area.

6. Education

Education is the largest, single social development institution in the community. Most families will have some contact with the school. The school system is also one of the larger employers and teachers are the largest and best educated occupational group in the community.

There is one Board of Education serving the municipalities and Madsen, South Bay and Perrault Falls. There are schools in each locality, one special school for retarded children and a high school. There is also a separate and a Mennonite school. There are approximately 1,160 students in the public schools and 90 in the separate school. The total capacity of the public and separate schools is 1,550 students. There is a surplus capacity of approximately 400 students. The Ear Falls Public School is the only one operating at close to capacity. On the basis of school capacities, the Tri-Municipal Area could probably absorb a population increase of 3,600 persons without having to build any new schools.

The school system in a frontier community is expected to provide a relatively small student population with a full range of educational programmes. They must provide for the special needs for bright students and those with other problems. In many instances, the social problems confronted by schools in frontier communities are greater than those found in the larger urban areas to the south.

There is one high school serving the entire area. It has an enrollment of about 430 students. About 140 of these students are brought to Ear Falls in four buses.

The major complaint in the high school is the lack of courses available at any one given time. In order to provide a full range of academic courses for students, a number of courses must be given in alternating years. The capacity of the school has been improved recently by an expansion which added laboratories and a gymnasium. The high school is unable to provide any major programmes in commercial or industrial areas or any meaningful preparation for work. This is a problem which has been recognized by school administrators and by the community at large.

In the Tri-Municipal community, the school system is a most important instrument for helping the native population through its transition to life in the town. There is a native counsellor in the high school who provides students and their families with advice and assistance.

The number of natives in the high school has been relatively small. There appears to be an increase in numbers. In September, 1976, there were

five students of native origin. In September, 1977, there were 26. Ten of these students were from the isolated reserves and 16 were from the local area.

The policy of the federal government has been to send natives from the reserves to high school at Sioux Lookout. However, this year the Ministry of Indian and Northern Affairs arranged to send 10 students to Red Lake High School. These students live with families in the town.

Parents and high school students from Ear Falls and other more distant places have expressed strong complaint over the bus ride to and from the school. It requires that students rise early and come home after dark much of the year. The effect is tiring and demoralizing and many claim that this ride causes the high dropout rate of Ear Falls students. People in Ear Falls are asking for the construction of a high school in the Township. Failing this, they would like to have grades 9 and 10 given at Ear Falls. They and many of the teachers feel that more students would continue into grades 12 and 13 if they completed grades 9 and 10 in their home community.

Parents and students are also asking for more programmes in music, the arts and sports. In a small school system, these become very expensive extras. In a southern community, there is often the possibility of finding these services in another town or a city. In the frontier, there are very few alternatives.

Adult education and post-secondary education are important aspects of community life. They lend variety to the cultural and recreational activities of the community. Some individuals and families leave frontier communities because of limited educational facilities for adults. At present, Lakehead University offers evening courses in Red Lake once a week. Any expansion of evening courses would have to be on the basis of small classes and at considerable expense.

7. Recreation

Recreation services are provided by public and non-profit agencies and commercial enterprises.

The most important recreational resource in the Tri-Municipal community is the great outdoors. There are considerable opportunities for hunting, fishing, boating, camping, hiking, cross-country skiing, snowshoeing, etc..

Many people move into or remain in the area because of the outdoor resources. However, there are complaints that the opportunities for hunting and fishing in nearby lakes and woods have been diminished by over-use and to some extent, by lumbering activities. In interviews in the community consultation programme, there were requests to re-stock the lakes with fish; to limit the amount of hunting and fishing in the area by shortening seasons or restricting licences. Some recommend that hunting and fishing be banned for several years in order to allow the fish and wildlife

to replenish themselves. Some blame the decline in hunting and fishing in nearby areas on the increase in tourists.

Most residents, most of the time are interested mainly in indoor recreation. There are a number of major recreational facilities in the area. Both Balmertown and Ear Falls are reasonably well equipped with arenas and other communal facilities. The same cannot be said for Red Lake.

Indoor facilities are especially important in the Tri-Municipal Area, because of the long and cold winters. Therefore, the adequacy of the number of recreational facilities cannot be measured per capita on the same standards as southern communities.

An equally important problem for these communities is that there are problems in creating and maintaining a wide variety of programmes that cover the range of interest that can be found in these communities. These require more full-time and part-time recreational staff to administer and manage programmes. Most frontier communities find funds to construct buildings. However, they encounter much more difficulty in the costs of maintaining programmes within these buildings.

Because of the isolation and the long winters, it is important in the Tri-Municipal community that there be a larger variety of social, cultural and recreational opportunities. The maintenance of these opportunities will become more critical as the native population grows. The development of

a sound, stable community will depend, to a large extent, upon the development of a more varied and more sophisticated recreational programme.

8. The Significance of Size and Concentration

Because of universal education and modern communications, there are very few differences in the expectations of people living in large and small places in the north and the south. All expect decent housing, adequate health services, reasonable access to consumer goods and the ability to find satisfactory ways to spend their leisure. It is recognized that the size of population is an important factor in this achievement.

At this time, it is difficult to tell whether or not the population of the Tri-Municipal community will grow and provide some growth and differentiation of social and economic opportunities. During the course of interviews and meetings, people in Red Lake indicated that they would like to see their communities grow at a moderate pace, most indicating that they would like to see their communities increase to more than twice the present size.

Small settlements throughout the north have presented a problem in providing satisfactory communities for individuals and families. Many of these settlements have been too small to provide anything much more than a good job. If there is to be any development, small or large, in the Tri-Municipal community as broadly defined, no more new settlements should be created. The population should be accommodated in Balmertown, Ear Falls and Red Lake. This will help to develop the social and commercial resources of the community and will reduce some of the problems that come with the isolation in tiny settlements. It will help each of the communities develop more and varied social and recreational opportunities.

9. Young People in the Tri-Municipal Community

Part of the large turnover in frontier communities is related to the young people. Consultants were able to meet with a large number of students in the high school. Discussions with grade 12 and 13 students were especially revealing. Most of the students talked about the lack of recreational activities, liveliness and variety. However, most also indicated that they would prefer to remain in the Tri-Municipal community or return after further education, training or experience. However, most did not see this as possible. Most of the young men interviewed indicated that there were adequate job opportunities if one were willing to work in the mines; most of those interviewed were not.

Young women stated that there were few job opportunities for them except as waitresses. They did not see many clerical, technical or professional job opportunities awaiting them.

Both young men and women were interested in some type of advanced training at university or college level. They did not anticipate that they would be able to return; nevertheless, they reiterated their preference for remaining in the community.

A study carried out by a group of high school students under the supervision of a high school teacher investigated the destinations of high school graduates over the previous ten years. Their findings indicated that two-thirds of the graduates had departed from the community.

The problem of meeting the needs of young people has to be answered by measures aimed at the following:

1. More diverse job opportunities for young men and women;
2. A more varied and lively social life appropriate to the needs of unmarried young adults;
3. Ability to travel easily and economically to major population centres for specialty and comparison shopping, recreation and entertainment reducing the sense of isolation.

10. The Social Life of the Frontier Settlement

The social life of the frontier community appears to be an especially busy one. There are at least 28 service clubs, organizations, social clubs, political groups, business organizations. There are six labour unions and 16 churches, some of which have other committees and groups within them. There are also a number of sports organizations.

As near as can be estimated by the consultants on the basis of observation, 40 to 50% of the adult population of the Tri-Municipal community participate regularly in some type of organization. This is considerably higher than most small towns in other parts of Ontario, and much higher than the rates in the large cities.

There appear to be a number of meetings carried on in each of the municipalities every night of the week. A number of people have expressed the belief that the lack of choice of television programmes contributes greatly to this high rate of participation.

These organizations serve the basic needs of sociability; provide opportunities for security and recognition. Many of the organizations provide buildings, facilities and programmes for the entire community.

Most of these organizations are affiliated with national and international organizations. Through these groups, they maintain continuous contact with the world outside and are able to participate in the social and political life of the province, the country and sometimes even overseas.

An important part of the social life is visiting among families and entertaining at home. However, for the large numbers of unmarried men, this is not a possibility.

Places serving alcoholic beverages are meeting places for many people in the community. These are especially important for unmarried people and serve as the social centre for many of them.

In the Red Lake-Balmertown area and in the Township of Ear Falls, the Royal Canadian Legion Hall is the most important social centre. It provides meeting rooms to many people, many other social activities, such as dances and weddings; wedding receptions are carried on there. Each of these has a liquor licence.

Studies of frontier communities indicate that the average liquor consumption per capita is higher than in other communities to the south. There can be many explanations for this. Several residents of the Tri-Municipal community have suggested seriously that if there were more television channels, people would probably drink less. There are also suggestions that it is related to the isolation and limited variety of social stimulation. However, it is probably more importantly related to the surplus of men. This means that there are a number of people living apart from families, a situation which is usually associated with high rates of alcoholic consumption.

A large number of families and individuals in the Tri-Municipal Area are relative newcomers. Many experience problems in adjusting to a new community, finding friends and their place in the social stream.

Most people in the Tri-Municipal community expressed satisfaction with the way of life, while at the same time indicating areas for improvement.

11. Relation To The City of Winnipeg

The City of Winnipeg is important to people of the Tri-Municipal Area. The significance of Winnipeg to the Tri-Municipal community is indicated in the following:

- a) Most goods and services sold in the Tri-Municipal Area arrive from Winnipeg.
- b) People are more likely to travel to Winnipeg for recreation than any other place.
- c) Winnipeg is the major health centre for the Tri-Municipal community. This includes hospitalization for most forms of surgery and major medical treatment and treatment in office by medical specialists.
- d) A considerable amount of shopping, especially for clothing is done there.

There are wide-spread complaints about the connections to Winnipeg. On the existing roads, it is a 300-mile, 6-hour drive. Air services are expensive and infrequent, especially on weekends. Winnipeg newspapers do not arrive until the day after publication.

Most of the residents believe that a more direct road to the Manitoba border would make Winnipeg more accessible to them. It would reduce the isolation of the area. Many merchants claim that it would cut the costs of goods sold in the Tri-Municipal community and that it would bring the Winnipeg newspapers to them a day earlier. Most believe that a more direct roadlink would bring an increase in the automobile and sightseeing and recreational tourist traffic to the Tri-Municipal Area.

12. How the People of the Tri-Municipal Community See Themselves

From interviews conducted, it appears that the residents of the Tri-Municipal community have a strong sense of the difference between themselves and other communities. Many, if not most of the residents of the Tri-Municipal community are people who have lived in other parts of Canada, including the largest cities. They sense they live in a special situation which has many attractions as well as some hazards. Many people in this community have a strong sense of the events far beyond them that often control their destinies. They are aware that small decisions of ministers in Geneva or at cabinet meetings in Ottawa or Toronto or boardrooms in Toronto, New York or London can have important consequences for them.

At the same time, they recognize that their community is special in other ways. They have a sense that the area in which they live has contributed a great deal to the wealth of the nation. They believe that by living in the Tri-Municipal community in their roles as miners, mill workers, store keepers, teachers or housewives, they make an important contribution to the well being of the province and the country. They believe that they should be assisted in maintaining the highest possible forms of community life. They ask this not out of a desire for charity but out of a desire for recognition.

People came to live in the Tri-Municipal community for many economic and social reasons. They have come to value small town life for its close associations and the relaxed atmosphere and tempo of living. They believe that they live in a good community in which to raise children.

V COMMUNITY ATTITUDES

V COMMUNITY ATTITUDES

A. Community Consultation Programme

In cooperation with the Royal Commission on the Northern Environment the Tri-Municipal Committee undertook a community consultation programme to obtain information on community attitudes. The purpose of this programme was to obtain a sounding of community attitudes. This was not to be a carefully drawn, random or stratified sample using a highly refined questionnaire. Rather it was to be a dynamic programme within the community. The interviews were limited to individuals and groups in the three municipalities, however community groups in Madsen and South Bay were also interviewed in response to their request. The interviews were carried out in the two week period between October 17, 1977 and October 31, 1977.

The community consultation programme consisted of three groups of activity. These were as follows:

1. Group Activities - mainly with organized recognized groups in the community, 24 interviews were held. Contact was made with service clubs, business organizations, labour unions, community service groups, teachers, social services etc. Within a two week period contact was made with 28 groups. Some of these groups combined to hold joint meetings for a total of 24 meetings. Some groups were "created" - e.g. meetings with two groups of clergy. Wherever possible the consultants met with the entire membership, in other cases the meetings were held with executive officers of the groups. Each group interview included 5 to 35 persons.

At each meeting there was a brief introduction, the participants were given written material on the Royal Commission on the Northern Environment. They were also given a discussion guide outlining some of the questions which might be discussed. The participants were advised that there would be no limit on the discussion and that the discussion guide was not a questionnaire, but suggested questions. They were free to discuss anything and in any

1. Group Activities - (Con't)

order. All of the group interviews were taped and transcribed, except for a few, where the people refused to be taped or where there were problems in pick-up, notes were made of the interviews. In addition to these groups, the consultants spent two days at Red Lake District High School, meeting with classes at the invitation of the teachers and the students. 17 students volunteered to be interviewed on tape.

2. A list of over 100 names was compiled for purposes of individual interviews. This list was collected after careful analysis and review with municipal officials and other well informed persons. This list included people who have been active in community affairs and were considered knowledgeable. They were also believed to represent almost all of the opinions heard in the community. Announcements were made that people wishing to volunteer for interviews would be taped and transcribed. Four volunteers presented themselves.

The same material was presented to the individual interviewees as with the groups. Within a two week period, over 60 persons were interviewed. In only four cases was there refusal to participate.

3. Community Meetings - in the 3rd week of the community consultation programme, open community meetings were held in Ear Falls, Red Lake and Balmertown. These were advertised in the community newspapers and the Dryden Observer. Announcements were made on the community radio station in Ear Falls and on CBQ in Thunder Bay. A notice was mailed to all residents of the three municipalities, advising them of the meeting. Shortly before each meeting, telephone calls were made in each municipality reminding people of the meetings.

3. Community Meetings - (Cont'd)

A preliminary summary report was prepared and presented at these meetings. This was based on an incomplete analysis of the findings. The report presented the "mainlines" of community thought and opinion. At each of these meetings the participants were asked to discuss the report in small groups of 10 to 15 persons and in a larger plenary session. Notes were kept of these discussions both in the large and small groups. All the groups were reassembled for a larger report meeting and general discussion.

The participation in each of these meetings was as follows:

Ear Falls -	47
Red Lake -	57
Balmertown -	32

Comment on the Responses

Through this process, over 300 hundred persons participated in the community consultation. Additionally several hundred high school students met with the community consultation programme staff. The responses to the requests for group and individuals interviews was generally positive. One group did not wish to be taped, but members did participate in all public meetings.

The results indicate that a fairly wide range of community opinion was uncovered in this process. One of the big gaps of this programme is that there are no interviews with any organized native groups, although there are interviews with individual natives. The consultants were unable to bring together any of the native groups within the time required.

Presenting the Responses

As was pointed out earlier, there were no limits on the discussions. The only type of interview schedule was the discussion guide, which was equivalent to an open ended questionnaire. This type of data presents some difficulty for organized presentation. In order to summarize and analyze the responses, the consultants established certain subject categories (e.g., industrial development, environment etc.) under which the specific responses were grouped. The material does not allow for precise statistical analysis. However, for quantitative purposes, the responses are grouped under the following headings:

1. Opinions expressed by most people.

These include ideas and beliefs held by most of the individuals and groups interviewed. It is believed that these items would coincide with the opinions of most of the population of the three municipalities.

2. Opinions and beliefs expressed by many people.

These are ideas, opinions and beliefs held by a large minority of those interviewed and might represent a sizeable body of opinion in the Tri-Municipal community.

3. Opinions and beliefs expressed by some people.

These would include all of the ideas, beliefs and opinions put forth by individuals and small groups of people, even if held by only one person. Discussion of method in the course of carrying out these interviews, the respondents were encouraged to reply in any fashion they saw fit. At the same time the interviewer played a role in pursuing some of the discussion with the respondents. Where general statements were given, requests were made for further explanation and for specific examples. Most people quickly surmounted their uneasiness in having a tape recorder present and spoke freely, sometimes elegantly and sometimes in salty language.

This particular technique of gathering information is widely used in social research. It is especially useful in a preliminary stage of study. It allows the researcher to examine the range of possible results and to establish goals and targets for a more refined study process. It is most useful in this particular case, in that it enabled the consultants to arrive at the type and range of opinions that are found in the Tri-Municipal area.

It might also have served other community purposes. It encouraged a certain amount of discussion in the communities of the forthcoming hearings of the Royal Commission on the Northern Environment. It helped many people in the community to think out loud about the future of the northern environment. For some groups, it was the preliminary stage of their preparations for a presentation to the Royal Commission.

In this programme, the respondents stated their opinions and beliefs, which were not required to provide any supporting evidence. The material presented in this summary and analysis constitutes a body of "communal wisdom", beliefs, knowledge and possibly miss-information and misunderstanding. It also contains a few novel ideas for further study.

For the purposes of the Tri-Municipal Committee and the Royal Commission on the Northern Environment, the statements contained here might be used as a basis for further study to examine the commonly held beliefs and goals that prevail in the community, to support, refute or modify them.

The following is a list of persons and groups who kindly consented to interviews and whose thoughts and opinions form the basis for this brief:

Colin Campbell	Bert Crawford	Dave Hlady
Gerald Bannantyne	Birdie Watt	Mrs. Moncrieff
Rich Wagner	Tom Hanaway	Winnie McDougall
Mr. J. Loman	Ross Mamakeesic	Fergus McDougall
Mrs. L. Loman	Carol Gable	Doug Reid
Mrs. Rae Kubiezinski	Wanda Mulhaizen	Jim Smith
Fred Bergman	Denise Lundmark	Jim Cox
Nellie Lemon	Jackie Facca	Brian Thorgenson
Pierrette Giroux	Dorothy McIntyre	Ken McLeod
Ann Barnes	Richard Kowall	Mr. L. Benoit
Paulette McClelland	Garry Dickey	Mrs. S. Benoit
Dave Meadows	Dan Kutcheran	Josie Barlow
Bob Tapper	Peter Gagnon	Lorraine Smith
Elmer Pine	Len Barnes	Harold Atkinson
Tom Faess	Nellie Roy	Marg DeKaizer
Ed Fahlgren	John Lesiuk	Don Armstrong
Ron Booi	Dave McMaster	P. Chopek
Wayne Sterling	Roy Jamieson	P. Medwid
Denise Sterling	Gertie Larson	G. McCrae
Janice Leroux	Art Larson	D. Sterling

	<u>No. of Persons</u>
Red Lake Businessmen's Association	6
Kinsmen Club of Red Lake	22
Interagency Co-ordinating Committee	12
Ear Falls Elementary School Teachers	9
Madsen Community Association Executive	10
Red Lake Area Clergy (1st group)	3
Red Lake Area Clergy (2nd group)	4
Lions Club of Red Lake	16
Red Lake District High School Teachers	26
Kinsmen Club of Balmertown	22
Royal Canadian Legion, Red Lake Branch	15
Lions Club of Ear Falls	}
Kinsmen Club of Ear Falls	
Chamber of Commerce, Ear Falls	
McKenzie Island Residents	17
T.R.E.E.S.	5
Assembly of Students at R.L.H.S.	400+
A Group of High School Student Volunteers	17
8 Classes at R.L.H.S.	115+
Hobby Hut Ladies Group of Ear Falls	5
C.U.P.E., Red Lake Hospital	15

B. Issues as Viewed by Community

GENERAL COMMENTS

Opinions Expressed by Most People

People like living in their communities; they like the small town way of life.

They would like to see growth and development at a pace and size which would not destroy the way of life or the environment.

People enjoy the outdoor environment, fresh air, woods and lakes.

They are concerned about:

- the distance to major centres
- the cost of living in the area
- economic stability
- the lack of many community services.

Opinions Expressed by Some People

People in the north have more of a pioneering nature. They are more individualistic, and they don't have to conform as much as those who live in urban areas.

People live in the area because of jobs. No other reason. If the mines close, there would be a mass exodus.

The smallness and closeness of the community can sometimes be a social problem.

Satisfaction is found in the feeling of isolation from the main centres.

INDUSTRIAL DEVELOPMENT AND EMPLOYMENT

Opinions Expressed by Most People

Mining

Mining is the main industry of the area. As gold mines have closed over the years, there is concern about the future of mining as a mainstay of the area. There is need to find and extract new mineral resources.

Forestry

The forest industries (cutting and processing) should be expanded in the area under firm environmental control and environmental safe-guards to assure the natural environment which is so highly prized by the residents.

INDUSTRIAL DEVELOPMENT AND EMPLOYMENT

Opinions Expressed by Most People (Cont'd)

Tourism

Tourist industry should be maintained and further developed. This can be achieved by:

- a more vigorous programme of restocking the lakes with fish and restoring wildlife.
- a new road connecting the area to Manitoba and more direct route to Winnipeg.

Secondary Industries

Secondary industries, processing materials of the mines and the forests, should be developed.

Women

There are too few job opportunities in the area for women. Most jobs are in mines and forests, areas traditionally unattractive to women. Relatively few jobs in retailing, business, public administration, financing, etc..

Young People

There are too few job alternatives for young people entering the labour force. This forces many to leave the area, though they might prefer to remain or return after further education.

Opinions Expressed by Many People

Forestry

The forest industries should be developed on a smaller scale than some of the proposals currently put forward.

Tourism

There is a limit to the expansion of the hunting and fishing camps. Problems of restocking lakes and restoring wildlife might call for reduction.

The current tourist industry is oriented mainly to hunters and fishermen. It should be expanded to the interests of the automobile tourist and sightseer.

The hunting and fishing camps contribute to the economic well-being of the area.

INDUSTRIAL DEVELOPMENT AND EMPLOYMENT

Opinions Expressed by Many People (Cont'd)

Secondary Industries

Secondary industries should be developed as small, family-type businesses.

Opinions Expressed by Some People

General

Some more industrial development in north of all types would mean less farmland being used in the south.

Money is sometimes wasted by industry in the north because inappropriate equipment is used, not suitable to the climate. There is need for more rigorous study of industry in the north.

Forestry

The forest products industries developed at any cost with little regard to the environment for the sake of jobs and the future of the towns.

The proposed pulp mill in the Tri-Municipal Area is not required. The mills in Dryden and Kenora are adequate to the needs of the future.

Is the Reed Project economical? If it fails, will it damage the area?

Timber cutting camps employ workers from Dryden and elsewhere. There is little benefit to the Tri-Municipal Area.

The forest industry's complex should be built close to Red Lake.

Mining

Mineral resources in the area have barely been touched.

Mines are not working at full capacity. The situation is fragile.

Tourism

The potential for developing more tourist services are limited by the high costs. Assistance from government sources could be recouped from higher income tax collections.

The Tri-Municipal Area should be advertised as being in one large park, to attract tourists.

Improved winter sports facilities (cross-country skiing, ski-doo trails, etc.) might attract more tourists but is there enough snow?

INDUSTRIAL DEVELOPMENT AND EMPLOYMENT

Opinions Expressed by Some People (Cont'd)

Tourism

Fish stocking will not work. A solution is to shorten the season, limit the number of non-residents licenses and restrict the amount of catch.

A commercial fishing and canning industry should be considered.

Fish stocking and fish hatchery programme should be established locally.

There is no problem with maintaining wildlife and fish stocks. Hunting and fishing tourism can be expanded.

Hunting and fishing camp operations contribute very little to the economic well-being of the area.

The hotel, restaurant and entertainment facilities of the area are inadequate to the needs of the automobile sightseeing tourist.

The shoreline around Red Lake should be freed up for areas attractive to tourists (beaches, walking paths, etc.).

There is need to develop more tourist attractions other than hunting and fishing. For instance, Madsen could be turned into a mining exhibition area.

New roads pushed into the bush are disturbing the hunting and fishing tourist industry.

Secondary Industries

Secondary industries should be developed on the basis of handicrafts.

Jobs

Jobs are available for women if they are willing to work in forest industries and the iron ore mine.

Jobs available for women as waitresses and in retailing.

There are enough jobs for young men if they are willing to work in the mines and forest industries.

There are many talented and skilled people who's abilities are not being used.

Red Lake

Because of lack of industry, Red Lake will fold up in 20 years.

TRANSPORTATION AND COMMUNICATIONS

Opinions Expressed by Most People

Air Service and Roads

There is much dissatisfaction with transportation links:

- air service is too limited
- road connections too few
- all modes of transport too expensive.

As the area is dependent upon Winnipeg for much of its health, social and commercial needs, it is desirable that:

- air services be increased
- a direct road link be built.

The road would lower the cost of transported goods, allow for faster travel time to Winnipeg and would encourage tourism from Manitoba.

This road would open up the large Winnipeg market and enable long distance car tourists to take a circle route, avoiding the present ride up and down the same road.

Air services between the Tri-Municipal Area and other points are inadequate, schedules are unsatisfactory, costs are too high, weekend services too few.

Television

There is only one television channel, CBC Winnipeg, leaving no choice of programmes. More channels are desired.

Opinions Expressed by Many People

Roads

The condition of the roads are inadequate.

Television

More TV channels would mean people would stay home and spend less time drinking in bars.

Local Transportation

Local transportation is inadequate for those who do not have their own cars, especially for young people and senior citizens.

TRANSPORTATION AND COMMUNICATIONS (Cont'd)

Opinions expressed by Some People

Roads

The road to Winnipeg would endanger an important wilderness area.

The benefits of the road to Winnipeg are questionable. Will not bring enough business to justify the investment.

The road to Winnipeg will have both tourists and logging trucks on it, an incompatible combination.

Transportation links, air and road have been improved in recent years and there is satisfaction with this.

The bridge at Ear Falls has only one lane. When a trailer truck breaks down, the traffic on Highway 105 can be blocked for hours.

Because of road conditions in the north, many families need truck-type vehicles for family and recreational use. They should not be required to pay license fees suitable to a business vehicle.

Television and Radio

One channel is enough or perhaps too many. Children and adults in the area do not spend as much time as other people watching TV.

The TV complaint is minor and not vital to the community.

Red Lake-Balmertown needs a local radio station.

Air Service

Ear Falls needs an airport suitable for all types of wheeled aircraft.

Rail

Improve and extend rail services in all three municipalities.

ENVIRONMENT

Opinions Expressed by Most People

Forestry

While favouring the development of forest industries, most people want to be assured that the features of the natural environment will be safeguarded. There is considerable questions about government policies and practices in protecting the environment. There is a desire for firm assurances.

ENVIRONMENT

Opinions Expressed by Most People

Forestry (Cont'd)

Most residents enjoy the natural environment found close at hand.

Ministry of Natural Resources officials do not have adequate authority to implement environmental protection policies.

Pulp roads are advantageous to hunters and fishermen.

Opinions Expressed by Many People

Crown Land

Local residents are hampered in their efforts to acquire cottages and fishing camps due to the restrictions on crown land.

Opinions Expressed by Some People

General

"It seems from past experience that when horse trading starts, everyone wins except the horse; which in this case, is our environment".

Forestry

Nothing has been done about replanting in the burnt out areas. Trees are not returning very rapidly.

There are indications that plans to cut and replant might not really be feasible in the north.

If there is to be forest industry development, the safeguards should come first before any plan or implementation of development.

Cutting of forests encourages wildlife by allowing young growth upon which animals can feed.

There are questions about the cutting practices of the forest industries. Objections to "clear cutting"*poplar and birch are not used or adequately protected. Blowdowns are caused.

Forests will decay and permit forest fires if not cut at the appropriate time.

Chipboard furniture and other forest-related industries should be developed in addition to pulp and paper.

Blowdown areas are a firehazzard and should be cleaned up.

ENVIRONMENT

Opinions Expressed by Some People (Cont'd)

Pollution

There is concern over the pollution of waterways with arsenic and mercury from mining operations. There is also concern about sulphur dioxide being admitted into the air from mining operations.

Crown Land

Crown land should be sold to Canadians.

Certain parts of the wilderness should be preserved for passive uses.

Cottages

There is a concern that cottage growth might get out of hand and be destructive to the hunting and fishing camps.

Nuclear Power

A nuclear power station should be built in the area which would provide employment and encourage industry, as well as provide lower-priced energy.

The money being spent on nuclear power and research should be spent on solar energy.

People in the north have been kept in the dark about the Atikokan Nuclear Power Project. This is "a conspiracy of silence".

There should be no nuclear power development in the north because of the hazards from the wastes.

Energy

The government should utilize existing water sources for marginal hydro electric generating plants.

Because wood is so plentiful in the area, the householders should be encouraged to use wood for home heating and possibly, cooking. Research is needed on developing efficient systems of using wood for energy purposes.

HOUSING AND URBAN DEVELOPMENT

Opinions Expressed by Most People

Housing Facilities

There is a lack of serviced land for permanent residences.

Decent housing in much of the area is frequently in short supply and expensive.

Conditions have improved and more houses are for sale than in previous times.

Owners of mobile homes should be permitted to purchase lots for their units.

If new development, mines, mills or other industries, occurs, the additional population should be accommodated in the existing communities rather than creating new town sites. This would strengthen the shopping and community life in the existing towns.

The recent government policies regarding mining taxes prevent industry from continuing to provide housing facilities for residents.

Future Growth

Communities should be encouraged to grow to approximately 5,000 persons each or 15,000 for the area.

Opinions Expressed by Many People

Housing

Housing and urban development in the area are hampered by provincial regulations which are not appropriate to conditions north of the 50th parallel. For instance, requirements for underground services add considerably to housing costs.

Future Growth

Growth of population should be at a slow pace.

Mobile Homes

The mobile home is a useful alternative to other housing forms in the north. Restrictions appropriate to the south do not apply in the north.

HOUSING AND URBAN DEVELOPMENT (Cont'd)

Opinions Expressed by Some People

Land

Mining and exploration rights and controls prevent some residents from owning their own homes and hamper development in some areas.

Housing

The quality of house building materials and structure is poor. It needs higher standards and more controls.

Buildings, both old and new in the north, do not appear to be designed for longevity.

Housing tends to be too closely packed as if there were a shortage of land in the area.

The mining industry should be required to contribute a percentage of its earnings into a capital fund for urban development, and other purposes.

Appearance

The initial appearance of Ear Falls from the highway is an unsatisfactory one and should be improved.

Get rid of trailer parks. They are an eye sore.

The appearance of buildings in the Tri-Municipal Area do not show enough variety or aesthetic design.

Bush Camps

Bush camp living conditions should be investigated, standards established and a programme of monitoring created.

Economic

Madsen takes very little public money to maintain itself.

Too much public money has been spent to maintain Madsen as a residential community. Madsen should be closed down and the money used for public services elsewhere in the area.

Arranging a mortgage in the Tri-Municipal Area is an extremely complicated process. It is difficult to deal with lenders who do not understand the area. The process sometimes discourages people.

HOUSING AND URBAN DEVELOPMENT

Opinions Expressed by Some People (Cont'd)

Trees

The practice of clearing all trees in advance of town sites and subdivisions should be prohibited; developments should be required to maintain as many trees as possible.

Future Growth

The population of the area should grow to more than 20,000 persons.

The population should grow very little or not at all.

One community should be designated as a growth centre and the other two, held to the same size.

GOODS AND SERVICES

Opinions expressed by Most People

Costs

The cost of goods and services are much higher than other areas of the province because of:

- the cost of transportation
- costs of energy
- small population
- lack of competition

The price of gasoline is lower in Ear Falls than in Red Lake-Balmertown because of arbitrary division at the 51st parallel.

As most of the goods and services provided in the Tri-Municipal Area originate from Winnipeg, the costs of transportation could be lowered by building a direct road to Manitoba and the price of goods and services would be lowered.

Competition

Growth in the area will bring in more commercial services and competition, helping to lower or stabilize the prices.

Opinions expressed by Many People

Costs

The costs of energy should be equalized across the province.

By living and working in the Tri-Municipal Area, the residents are contributing to the well-being of the whole province; therefore, they should be assisted in bearing the high costs of living in the area by a northern living allowance or lower taxes.

Gasoline prices in the area are based on the costs of transportation from Toronto. However, the gasoline is actually transported from Winnipeg, a shorter distance.

Opinions expressed by Some People

Costs

The cost of gasoline should be equalized in much the same way as the cost of beer throughout the province.

Car insurance rates are higher in the Tri-Municipal Area than in other places in the northwest.

The cost of some food products such as meat are actually lower in the Tri-Municipal Area than in other larger communities of North Western Ontario. Much of the preparation for sale is done locally, where labour costs are lower.

GOODS AND SERVICES

Opinions expressed by Some People (Cont'd)

Natural Gas

The natural gas pipeline should be extended to the Red Lake-Balmertown area.

Wind and Solar Energy

Solar energy systems should be developed to make the north self-sufficient.

Energy should be developed from the wind.

COMMUNITY SERVICES

Opinions expressed by Most People

Recreation

For major athletic and communal facilities, arenas, auditoriums, etc., Balmertown and Ear Falls are reasonably well equipped. Red Lake is not.

The opportunities for outdoor recreation are many (hunting, fishing, boating, hiking, etc.).

Indoor facilities are lacking and this lack is especially important because of the long winter.

The cost of maintaining indoor recreational facilities is quite high and the communities need aid in operating these facilities.

Personal Social Services

The Tri-Municipal Area is lacking in many of the personal-social services to deal with primary problems, handicapped, mental health, vocational counselling, etc..

Medical

Health services require more physicians, dentists and other health personnel.

Education

People are satisfied with the quality of education. There should be more vocational and trade courses in the area.

COMMUNITY SERVICES

Opinions expressed by Most People (Cont'd)

Mining Tax

Formerly, mining companies provided communities with recreational facilities. Recent tax changes have eliminated this, putting the burden upon municipalities.

Opinions expressed by Many People

Cultural Facilities

The area is lacking in many of the minor artistic, cultural and athletic services, e.g., ballet lessons, gymnastics, etc..

Personal Social Services

The population is too small for the development of an elaborate system of personal social services. Many services are provided by agencies with offices in Kenora, Thunder Bay or other places. These include Manpower, Mental Health, rehabilitation, etc.. Much time and expense is consumed in transportation and service inadequate. Better co-ordination among governments and ministries might enable these services to be provided locally.

Medical

A part of the cost of health services is the cost of transportation to Winnipeg for specialized treatment. The residents of the area should be assisted with this health cost.

More ambulance service is needed.

Education

Ear Falls residents are dissatisfied with the high school arrangements. Students travel 90 miles each day by bus. The trip is tiring and demoralizing.

Alcohol and Drug Abuse

Residents are concerned over the proposed closing of the Alcohol and Drug Abuse Centre. (office 2300)

Recreation for Youth

Recreation facilities for young people are inadequate. This is partly due to the fact that many of the social facilities in the communities are licenced under the Liquor Control Act and cannot be admitted.

COMMUNITY SERVICES

Opinions Expressed by Some People

Cultural Programmes

The population is too small for many of the lesser athletic and artistic functions.

Small towns in Manitoba have all kinds of athletic, social and cultural programmes because of provincial policies. This cuts down the turnover of population.

The Tri-Municipal community could get better use of its facilities and programmes if planning and programmes were better co-ordinated.

Ear Falls needs a theatre.

There is need for more community service projects for youth; for instance, the museum at Ear Falls, the Trail Building at Red Lake.

Red Lake needs a good community centre.

Recreation

Recreation facilities for young people are adequate but not used by them.

The people of the area do not make the fullest use of the opportunities for outdoor recreation. For instance, Rahill Beach is not used by very many residents.

Because of the long winter, indoor swimming pools are required for young people and adults.

Ear Falls needs more entertainment facilities; especially for young residents, i.e., movie theatre, bowling alley, pool hall, drop-in centre and swimming pool.

Medical

There should be a hospital at Ear Falls.

COMMUNITY SERVICES

Opinions Expressed by Some People (Cont'd)

Education

Anyone who has received all of their education in the small places of northwestern Ontario in the past 15 years has had a very inadequate education, usually unsuitable for university entrance.

The schools at Ear Falls are overcrowded.

Ear Falls should have a high school of its own.

It is not possible to have a high school in Ear Falls; however, Grades 9 and 10 should be given in Ear Falls.

The drop out rate in the area is not any higher than any other part of the Province; therefore, vocational and trade courses will make little difference.

Professionals

Professionals in the Tri-Municipal Area need more opportunities to meet with other people in their fields to exchange information and keep up to date.

Northern Living

There are people not getting basic needs - food, clothing and shelter.

There are many advantages in living in the north; therefore, the costs of living there should be borne by the residents without any "handouts" from elsewhere.

There is an imbalance in the male-female ratio, which makes the social life of a single worker unsatisfactory.

Young people want to leave the area for more lively urban centres.

NATIVE PEOPLES

Opinions Expressed by Many People

Wage Economy

Native people have been found to be capable of adapting to the urban industrial wage economy, as exemplified by employment in the gold mines.

Outside Interference

Natives should be permitted to deal with their own problems with a minimum of outside interference.

Native people should be given some form of self-government.

Native Rights

Native rights are no more valid than those of other Canadians.

Indians are "threatening us". They are "pushing us" out of the north.

Employment

Governments should spend more money on job creation in the reserves and less on welfare.

Future Development

Natives would like to see the north unchanged.

Natives living on the reserves want roads into the north and will welcome development.

Government Policies

Government policies with regard to natives in the northern areas is wasteful and does little to help natives develop economic independence.

Communication

There is need for information on the number of trap lines and the number of native families dependent upon hunting and fishing north of Red Lake.

Natives are being mislead by their leaders in opposing change.

RELATIONS WITH GOVERNMENT

Opinions Expressed by Most People

Services

Residents are satisfied with the government services available locally, i.e. OPP, Ministry of Natural Resources, Ministry of Transportation and Communications, etc.

"There is too much political interference involved" in the operation of the Ministry of Natural Resources.

Legislation

Some province-wide legislation is inappropriate and insensitive to the needs of the area. A most-frequently cited example is the prohibition upon studded tires.

Opinions Expressed by Some People

Northern Affairs

The formation of the Ministry of Northern Affairs is encouraging.

Lack of Understanding

Federal and Provincial cabinet members and senior civil servants should live in the area for a while to understand the problems.

Southerners fail to understand the problems of the north and view northerners as people constantly demanding more grant money.

Local Government

The Improvement District of Balmertown should become a township with an elected Council and Reeve.

There is no need to change the present municipal status of Balmertown.

There should be controls in the north, but these should be local controls.

Regional government for the Ear Falls-Red Lake area would not work.

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

Opinions Expressed by Most People

Communication

There is considerable optimism about the Royal Commission that it will enable the northerners to express their wishes and desires.

Scope

Residents approve of the broad scope of the Commission.

Opinions Expressed by Many People

Skepticism

What power does the Royal Commission have? Will the government follow the recommendations"

Staff

There should be more northerners on the staff of the Commission.

Past Experiences

Let this be the last study of the north.

The north has already been subjected to many task forces, study groups and reports.

Opinions Expressed by Some People

The Royal Commission should be considering the needs and position of communities south of the 50th parallel, such as Kenora, Dryden and Timmins.

Communications

The Royal Commission should move into the area for 6 to 8 months to fully understand the way of life.

The Hartt Commission did not do an adequate job in informing area residents about the Commission and the timing of the preliminary hearings.

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

Opinions Expressed by Some People (Cont'd)

Scope

The terms of reference are too broad. It appears to be an effort to bypass the main issue - Reed Paper.

Effect

The Royal Commission is a way for governments to avoid decisions.

The government is evading its responsibility by appointing a Royal Commission.

The Royal Commission is a waste of time.

The Royal Commission is not likely to have very much effect. Its visions on the future of the north have already been made.

There is concern that decisions on the north will be made by people who don't live in the north and the majority of who have never seen the north.

VI ROLE OF COMMISSION

VI THE ROLE OF THE ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

1. As Recommended by the Citizens

Most of the residents expressed feelings of optimism about the work of the Royal Commission on the Northern Environment. They felt that the north would be getting the attention it deserved. They also indicated approval of the broad scope of the Commission, feeling that it might help them to deal with many problems they face in their social and economic lives.

Many of the people in the Tri-Municipal Community have indicated that their community has been the subject of numerous studies, task forces and special committees. Many reports have been published. They also have expressed dissatisfaction with the fact that many of these studies have taken up considerable time and energy of the people of the community and relatively few reports have been given back to them. They look forward to a much more open process on the part of this Royal Commission.

2. As Recommended by the Tri-Municipal Committee

The Tri-Municipal Committee has examined the information provided in this report and has considered the role of the Royal Commission. The preparation of this particular brief was the result of a cooperative effort on the part of the Royal Commission and the citizens of the three municipalities. The recommendations which follow are based on the conviction that the Royal Commission and the Tri-Municipal Committee should continue to work together on this and similar efforts to determine the future of the area.

It is therefore recommended that:

- (1) The Royal Commission undertake investigations and studies
 - (a) of the questions and ideas raised by the people;
 - (b) in specific areas of research recommended by the Tri-Municipal Committee;
- (2) The Community Consultation programme, an intensive activity in the four weeks preceeding hearings in Red Lake and Ear Falls, should be continued until the next hearings. It enabled many people to participate in the preparation of the brief. It encouraged many to think for the first time about the future of the north. It created a feeling that the Royal Commission on the Northern Environment is interested in hearing the views of the people. The people of the Tri-Municipal Community should be encouraged to continue to discuss and investigate their own future. This should be done in co-operation and consultation with the Royal Commission. There should be a continuous interaction, and hearings should be milestones in this process;
- (3) The Tri-Municipal Committee should continue to work in cooperation with the Royal Commission on the Northern Environment.
- (4) The Royal Commission consider one or both of the following courses:

- (a) Shortening the term of work and advancing the date of the submission of its final report and recommendations to the government, or,
- (b) Selecting specific areas from the broad scope of investigation upon which studies might be made and interim reports submitted to the Government of Ontario for decision and implementation.

These recommendations for shortening the time or producing interim recommendations are made out of recognition that the final report of the Royal Commission will require considerable examination and evaluation by the Government of Ontario and the communities of the north before any decisions can be adopted and programmes of implementation be created. This process could mean many years of delay in important decisions for the North.

VII CONCLUSIONS AND RECOMMENDATIONS

In the preparation of this brief, a review has been made of the history and current characteristics of the Tri-Municipal Area. It has been an examination of the physical features and the social and economic character of the three municipalities.

The following is a summary of the basic attitudes of the people of the Tri-Municipal Area:

1. People like living in their communities. They like the small town way of life with its closeness and familiarity and relatively relaxed style of living.
2. They appreciate the natural environment they live in with the vast expanses of fresh air, woods and lakes.
3. They are concerned about the distances to the major centres, the cost of living in the area, the economic stability and the lack of many community services.
4. They would like to see growth and development at a pace and size which would not destroy the way of life or the environment.

In the course of preparing this brief, many ideas and opinions about the future of the Tri-Municipal Area were put forward. These are indicated in the report and the relative weight of these opinions in the community are indicated. Many interesting ideas were raised by the majority and some very small minorities.

The analyses of history, economic and social character of the area have raised a number of interesting problems and possible solutions. It is therefore recommended to the Royal Commission on the Northern Environment that:

1. The Royal Commission investigate the feasibility of most of these ideas raised in this report to provide possible evidence in support or refutation.
2. The community consultation programme, which began

four weeks in advance of the hearings in the Red Lake-Ear Falls area, should be continued in cooperation and consultation with the Royal Commission.

3. The Tri-Municipal Committee be enabled through technical assistance and funds to manage its own studies of many of the issues raised in this brief. These studies should, of course, be carried on in consultation and cooperation with the Royal Commission.

Recommendations for Further Study

The Tri-Municipal Committee has considered all of the matters raised in this report and recommends the following for further study for the next stages of the hearings of the Royal Commission.

1. Environmental Protection

- (a) An analysis of the current state of the environment--climate, water, lakes, woods, soil, etc. in and around the Tri-Municipal area. Current trends in the course of nature and the effects of human intervention.
- (b) An evaluation of the effectiveness of existing programmes.
- (c) The problems and potential for maintenance, restoration, repair and improvement of the environment as it now exists. Can lakes be restocked with fish? Can wildlife be restored? What are the possibilities of maintenance programmes? Does replanting work? Under what conditions can primary industries, mining and tree cutting

be compatible with the maintenance and protection of the environment? If there is major industry, can there be effective protection and restoration programmes?

2. Industrial and Commercial Development

- (a) What is the potential for new primary industries including mineral extraction, pulp and paper?
- (b) What are the potentials and the problems for secondary industry in the Tri-Municipal area? Should these be resource-related secondary industries (e.g. furniture, chipboard, and other processing or finishing) or alternative types unrelated to the primary industry?
- (c) What are the problems and potential for encouraging all types of industrial and commercial investment in the Tri-Municipal area? What are the problems in relation to financial institutions? What technical and professional resources might be needed to encourage private investment? Appropriate government programmes to encourage private investment. What should be the role of the three municipalities in encouraging investment?
- (d) Consider the problems of local residents as entrepreneurs--size of market and transportation costs.
- (e) The impact on local municipalities of purchasing practices of major industries; can industries be used to lower the cost of living in communities in the north?

3. Natives

- (a) An examination of the current social and economic conditions of natives in the Tri-Municipal area.
- (b) An analysis of the interrelationship between the Tri-Municipal Community and the isolated Indian reserves, and remote settlements.
- (c) A review of current federal, provincial and local services for natives, and recommendations for the development of future programmes.
- (d) Projection of future socio-economic conditions for natives in the area.
- (e) Social and cultural programmes for the adaptation of natives and the towns to one another.
- (f) Job training and employment programmes for natives in the area, and on the reserves.

4. Tourist Development

- (a) A detailed inventory and analysis of the current state of the tourist industry in the Tri-Municipal area.
- (b) The potential and problems for the expansion of the tourist industry beyond the present hunting and fishing activities.
- (c) Can new types be developed for the automobile tourist and sightseer? Can sightseeing attractions be related to the mining industry (e.g. a mining museum, an exhibition mine using a non-operating mine) be developed?
- (d) What are the needs and potentials for hotels and restaurants?
- (e) How much employment and income can be generated by an expanded tourist industry?

- (f) Will an expanded tourist industry be compatible with resource extraction industries? Under what conditions can they live together?

5. A Forest Industries Complex

- (a) What is the potential for a forest industry complex in relation to present and future economic conditions in the world, Canada, and the province? What role will it play?
- (b) What are the environmental problems associated with such an industry? Can the industry be managed in a manner which would be compatible with the maintenance and protection of the natural environment? And under what conditions?
- (c) How much employment will it create? What will be the effect upon the development of local commerce?
- (d) What effect will it have on the present character of the existing community? How large a population would it generate and how fast?
- (e) How large should this complex be and how small can it be, if it is to be developed?
- (f) Under what condition can a forest industries complex be compatible with an expanded tourist industry?

6. Transportation

- (a) A review and analysis of current transportation facilities in the Tri-Municipal area.
- (b) The potential and problems of creating a more direct road to Winnipeg, its feasibility, cost; its potential with relation to the costs of living; its relation to tourist development.
- (c) Roads to other towns and cities in the north. The feasibility, costs, advantages, convenience, and the potential for tourist development.

Will there be mutual benefits for other communities as well as the Tri-Municipal Community?

7. Housing and Urban Development

- (a) A detailed analysis of housing and urban development conditions in the three municipalities.
- (b) The application of housing and urban development policies, legislation, regulation, and programs in the northern communities. Is there need for special legislation?
- (c) A special program for standards of housing and urban development in northern communities including hard services design criteria.
- (d) Future housing requirements.
- (e) An examination of the problems of financing of housing and the Tri-Municipal area.
- (f) The needs of low income families, senior citizens, natives and other special groups for housing.

8. Social Development

- (a) An examination of all social development services in the Tri-Municipal area including recreation, personal social services, health services, education (academic and vocational) and cultural programmes.
- (b) The relationship of existing federal and provincial programmes to the social development needs of the area.
- (c) The possibility of the development of programs to bring more social and cultural diversity to northern communities.

This might include an investigation of existing programmes in small and remote communities in other jurisdictions (e.g. Manitoba, Alberta and the Scandinavian countries).

- (d) Programmes and policies to encourage more people with professional and technical training to settle and remain in the community.

9. Local Government and Relation to the Ontario Government

- (a) A review and analysis of the interrelationships between Municipal governments and the Provincial government. A listing of the achievements and problems in these relationships. A review of the funds and services that are provided in the Tri-Municipal area by the Provincial government.
- (b) The potential for improvement of the Provincial government services in the area.
- (c) The potential for improving and strengthening the role of municipal government as participants in Provincial decisions affecting the area in order to assure that decisions are made in consultation with local government and not solely by Provincial agencies.
- (d) The problems of municipal financing as they relate to the special nature of northern communities (e.g. the relationship to natural resource companies, the provincial government structure and local assessment). What methods can be developed for municipal financing which will provide more stable sources of income and minimize the constant requests for "handouts".

- (e) How much of federal and provincial government and provincial royalties and other payments should be returned to the municipality?

10. Employment

Can employment opportunities be increased for women, young adults, and natives? Can a variety of jobs be developed? Can it be done with or without a major industrial development?

11. Mineral Resources

- (a) A review of the current condition of the mineral extraction industries in and around the Tri-Municipal area. Current trends and future projections.
- (b) What changes are needed in tax structures to encourage more mineral resource exploration and development?
- (c) An inventory of potential mineral resources based on available information.
- (d) The potential and problems of additional mineral extraction industries. Under what condition would these be feasible?
- (e) How would future mineral extraction industries effect the environment?
- (f) What would be the social and economic effect of more mining?

12. Communications

- (a) An inventory and analysis of the current state of communication, including radio, television, telephones, teletype, telegraph, mail, etc.
- (b) What are the specific needs in all forms of

communication, as expressed by people in the area? What are their needs with regard to personal and family requirements for recreation and business?

- (c) What is the potential and problems of radio and television facilities? Is it desirable to have more television channels available? At what cost? The potential for local radio stations and community television? What role can local radio and television play in the social and economic life of a northern community?
- (d) The present communications between the Tri-Municipal area and the isolated reserves and settlements to the north. Are improvements needed? What are the social and economic consequences of any improvement?

Final Comment

The Tri-Municipal Committee considers that the people of the north should participate in the decisions that are made by the Government of Ontario and large corporations separately or jointly, which are likely to have an impact on the social and economic condition in which northerners live. No future decisions with regard to the north should be undertaken without full and open consultation with the people who must live with these decisions. We believe that the current cooperative endeavours of the Royal Commission and the Tri-Municipal Committee might serve as a testing ground for the development of new relationships between Provincial government agencies and local municipalities, aimed at ensuring that both the interests of the community and the entire province are considered in future decision-making processes.

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

THE ONTARIO-MINNESOTA PULP
AND PAPER COMPANY LIMITED

PRESENTED AT

RED LAKE

ON

NOVEMBER 14, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

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THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

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THE ONTARIO-MINNESOTA PULP AND
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Fort Francis, Ontario
P9A 3N2

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ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
ROOM 801
TORONTO, ONTARIO
M4W 1A5

Attached to Exhibit 49 was a large map entitled "Districts of Rainy River, Kenora and part of Kenora Patricia Portion." This was too large for reproduction but can be viewed at the Commission office 55 Bloor St. W.

B R I E F

TO

ROYAL COMMISSION ON THE
NORTHERN ENVIRONMENT

FROM

THE ONTARIO-MINNESOTA PULP AND
PAPER COMPANY LIMITED

THE ONTARIO-MINNESOTA PULP AND PAPER COMPANY LIMITED
FORT FRANCES, ONTARIO

BRIEF TO THE ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT
FROM

THE ONTARIO-MINNESOTA PULP AND PAPER COMPANY LIMITED
FORT FRANCES, ONTARIO

PREFACE

The last 97 years has been one of slow but steady growth and change in this northwestern Ontario region in which this company, and predecessor firms, have played a substantial part in shaping. Peoples of varied background have been attracted to the region because of the opportunity to make a new life in the resource based industries where hard physical work and the love of outdoor life were the order of the day. Many people came into the area, including many immigrants from European countries, some stayed and are solid citizens of the various communities within the area, while others left for the opportunities of the city life, mainly in eastern Ontario.

The majority of communities built to a population peak prior to twenty years ago and have maintained little new growth since. Any substantial changes have been due to new development, such as in the Earls area.

One very significant point to make is that the peoples in the towns of the area have chosen this part of the province to make their livelihood, raise their families, and enjoy the many amenities and countless recreational opportunities which abound in the district. We are here by choice and have all made our individual contribution through diligent effort to make it a better place to live and work. We welcome those from other areas to join us in this vast land, to enjoy the wonders of nature we have at our door step and to share in our good fortune.

All responsible people of the area will acknowledge and support the concern shown by the government of the Province of Ontario in their

policy goal to assure the environment is protected and managed as an
essential factor in the overall quality of life.

0 INTRODUCTION

1 ROYAL COMMISSION

1.1 MANDATE OF ROYAL COMMISSION

The mandate of the Royal Commission reflects the over-riding policy of the Provincial government in that the purpose of the Environmental Act of 1975 is for the betterment of the people of the whole or part of Ontario by providing for the protection, conservation and wise management in Ontario of the environment.

As stated by the commission, it's mandate is drawn from three tasks described in the Order-in-Council creating it.

- to determine the effects on the environment of major enterprises north of the 50th parallel.
- to investigate the feasibility of alternative uses of natural resources.
- to suggest ways and means of assessing and deciding on environmental aspects of major enterprises.

1.2 DEFINITION OF ENVIRONMENT

The terms of reference of the Royal Commission defines the Environment in or of Ontario as meaning: the air, land or water; plant and animal life, including man; the social, economic and cultural conditions that influence the life of man or a community; any building, structure, machine or other device or thing made by man; any solid, liquid, gas, odour, heat, sound, vibration, or radiation resulting directly or indirectly from the activities of man; or - any part or combination of the foregoing and the interrelationship between any two or more of them.

1.3 CATEGORIES OF STUDY

The mandate of the Commission is to

- inquire into any beneficial and adverse effects on the environment for the people of Ontario of any public or private enterprise, which, in the opinion of the commission, is a major enterprise north or generally north of the 50th parallel of north latitude, such as those related to harvesting, supply and use of timber resources, mining, milling, smelting, oil and gas extraction, hydro-electric development, nuclear power development, water use, tourism and recreation, transportation, communications or pipelines;
- to inquire into methods that should be used in the future to assess, evaluate and make decisions concerning the effects on the environment of such major enterprises;
- to investigate the feasibility and desirability of alternative undertakings north or generally north of the 50th parallel of north latitude, for the benefit of the environment;
- to report and make such recommendations to the Minister of the Environment to carry out the purpose of The Environmental Assessment Act, 1975.

2.1 ACKNOWLEDGEMENT OF REQUEST FOR BRIEF

The Ontario-Minnesota Pulp and Paper Company Limited through its interest and involvement in the north of Ontario and in particular that area lying north of the 50th parallel of north latitude wherein we have been actively operating in the harvesting of timber resources, and operating sawmills, commencing as far back as 1936, are most pleased to have an opportunity to make a contribution of our thoughts and inputs to the commission's hearings. We acknowledge with gratitude the

Commission's request to the President of this company to make a submission to it's deliberations, as in retrospect, we feel this company, and it's predecessors, have been a major influence in the development and progress in this area for upwards of a century.

1.2.2 DESCRIPTION OF BRIEF

We shall address our brief to our particular area of concern which is the harvesting and processing of the renewable resource base of timber. In order to properly set the scene as to our current operations north of the 50th parallel, we shall give a history of our present day company, and it's predecessor company operations. This historical reference should culminate in a broad understanding of the stage of development and society as it exists today in these districts.

Our present operations and plant facilities have developed from the basis of the wood fibre volumes which have been available within the circumference of the economically transportable distances as time progressed. In earlier days transport was by water sources. In latter days as transport and loading equipment improved and became available, trucking replaced water methods.

We will discuss the annual wood requirements of our facilities which are currently being supplied in part from key areas north of the 50th parallel. A map is enclosed in the pocket at rear of the folder, exhibit #1 which outlines the volumes which are available within our operating sphere. This map is supported by area map exhibit #2, and volume tables exhibit #3, to best illustrate the magnitude of the area required in order to support a current day pulp and/or paper operation.

We will discuss the extent of our operations relating to our present employment base and the implications that they have to the economy of the district in total.

We shall discuss the ecological impact of a logging operation as viewed from an operating management viewpoint. In addition, we shall review our regeneration plans, methods and results relating to the protection and continuance of the forest to ensure the good management of our forest environment.

In addition we will point out the problem areas that we envisage at this juncture, relative to our present level of operations, and the constraints on any future expansion. In particular we wish to voice concern regarding the erosion of the timber base on which the present logging operations have been predicated. The declining competitive position of the paper industry and the cost factors involved with alternative suggestions or options to planned operating areas must be recognized.

Finally we will make comment as to what we visualize as the future plans for the industry within the districts.

20 ONTARIO-MINNESOTA PRESENTATION

21 HISTORY OF THE COMPANY

The Ontario-Minnesota Pulp and Paper Company Limited is a Canadian Company incorporated in the Province of Ontario. Since 1965 it has been a wholly owned subsidiary of the Boise Cascade Corporation, prior to that time it was a subsidiary of the Minnesota and Ontario Paper Company. The O-M was made up of a number of Canadian companies formed by the Backus-Brooks organization beginning in 1905. The operations of our predecessor companies go back almost a century. The Keewatin Lumbering and Manufacturing Company was incorporated in Ontario in 1879 and their first logging operations on Lake of the Woods began the same year thus O-M and its predecessor companies have been harvesting wood in the Kenora and Rainy River Districts of Northwestern Ontario ever since. It is interesting to note that logging in the area was being done prior to the

Canadian Pacific Railway reaching Kenora (then Rat Portage) from Winnipeg in 1880.

In the early days production of wood products of predecessor companies was lumber, lath and ties. Ties were mainly for the construction of the C.P.R. or maintenance of the rail line. The 1908 production of spruce and jack pine ties for example reached 403,000 pieces. Even after the construction of the Fort Frances paper mill and paper machine start-up, lumber rather than paper was the main product of the company.

Following the first World War and the start up of the Kenora paper mill in 1923-24, paper became the prime product of the company, and although we have continued to manufacture ties and lumber today they are only a small part of our annual production. Our present Tie and Stud mill at Kenora is built on the same site as the original Keewatin Lumbering and Manufacturing Sawmill built in 1879.

The following is a list of outstanding events in the history of the company.

- 1905 - Construction of power dam between International Falls, Minnesota and Fort Frances, Ontario.
- 1906 - Keewatin Lumber acquired by the company.
- 1908 - Construction of power house at Fort Frances, hydro power became available in 1909.
- 1912 - Construction of newsprint mill in Fort Frances began.
- 1913 - Keewatin Power Company and facilities acquired by company.
- 1914 - Newsprint production began in Fort Frances mill (2 machines).
- 1920 - Kenora Municipal Power Dam acquired by company.
- 1923 - Construction of Kenora newsprint mill.
- 1924 - Newsprint production in Kenora mill (1 machine).
- 1926 - Second paper machine start-up in Kenora mill.
- 1927 - Fort Frances mill enlarged to 3 paper machines.
- 1928 - Development of hydro power facilities along Seine River,

east of Fort Frances.

- 031 - Company went into Receivership.
- 034 - Receivership converted to a Trusteeship.
- 041 - Re-organization of the company completed and the Canadian company became The Ontario-Minnesota Pulp and Paper Company Ltd.
- 041-55 Modernization of paper machines and equipment continues in both Kenora and Fort Frances mills.
- 057 - Kenora paper mill enlarged to 3 machines.
- 071 - 460 TPD Kraft Mill start-up at Fort Frances.
- 76 - New Number five paper machine brought on stream.

21.2 ANNUAL VOLUME REQUIRED AND SOURCES

With the coming on stream of our Fort Frances Kraft mill, the company's annual wood requirements for kraft pulp, paper, lumber and ties reached a total of 950,000 cords, of which 350,000 cords are spruce-balsam fir, 50,000 poplar and 550,000 pine. These volumes include any chips we purchase from area sawmills.

Our annual wood requirements come from five main sources:

- 1 Ontario Purchases - 315,000 cords from Crown (Province of Ontario) Management Units or lands under private ownership and cut by independent contractors.
- 2 Manitoba Purchases - 50,000 cords from independent contractors in the Province of Manitoba.
- 3 Minnesota Purchases - 140,000 cords from private lands, state lands or federal lands in the state of Minnesota.
- 4 Sawmill Residues - 100,000 cords.
- 5 Company Licence - 300,000 cords to 350,000 cords from lands held under a licence to harvest timber from the Province of Ontario.

Licences are issued by the Ontario Government to the company and permits us to cut timber on certain tracts of land, and incidentally,

to build roads at our expense to extract the wood harvested. The licence is issued for 21 years with provision for a 21 year extension and the right to renew.

To maintain the licence in good standing a company is required to provide the Ontario Government with considerable information relative to the land held under licence as required in the Crown Timber Act.

The O-M licence covers a gross area of 6,797 square miles of which only 4,683 square miles or 69% is productive land, the remainder is water, bog, rock, or reserves such as power lines, highways, etc.

2.2 SOCIO-ECONOMIC IMPACT

As the commission is concerned with that area north of the 50th parallel, and as the influence of operations in that area has the largest impact on the Kenora, Ontario plants, we shall deal specifically with those operations in the following observations.

2.2.1 EMPLOYMENT, ANNUAL PAYROLL, VALUE OF GOODS AND SERVICES

The 1977 average employment estimated 1,273 persons between the paper mill, woodlands operations and the sawmill. The paper mill employs 800, woodlands 283 and the sawmill 60 persons. The estimated gross payroll for 1977 is \$24,000,000.

In addition to the foregoing persons, there are an estimated 800 persons directly producing pulpwood for independent contractors or suppliers who operate either Crown Management units of the Ontario Ministry of Natural Resources or from patented lands. The value of the production from this supply source funnels a further \$5,500,000 into the economy of the district. A substantial volume of this free market wood has been supplied from the Red Lake Management unit which this company was instrumental in having developed and has been actively buying from since

1961. This activity currently adds in excess of one and one quarter million dollars annually into the Red Lake, Ontario community economy.

The annual value of goods and services to the local area for 1977 is estimated at \$23,000,000. The local company paid out \$917,000 in local taxes in 1976, the major share to the Town of Kenora.

22.2 COMMUNITIES SUPPORTED

Our operations, having opened up the country north of Vermilion Bay commencing in 1940 have had a substantial impact over the years to the economic base of Vermilion Bay, MacIntosh, Quibell, Red Lake Road, Arrault Falls, Ear Falls, Minaki and probably every minor community between the U.S. border at Fort Frances, Ontario to Red Lake, Ontario to the north. In addition we have produced wood in the Ignace, Ontario area as far back as 1923/24 for the Kenora mill.

In the early days of the Kenora operations, in the late twenties, some of our historical data reveals we operated 13 camps with 1,000 men in the woods in the area, and east of, Sioux Narrows, Ontario. All access was by water via the Whitefish Bay area with all men, materials and horses being transported into the winter operations via barges and over portages. Many of the people employed in the woods at that time were immigrants of Ukrainian and Polish descent. A number of these people came to spend many years in the employ of the company and they and their descendants now make up a good cross section of the communities within the district.

22.3 ROADS

In the development of forested areas, in order to gain access to timber which was suitable for required harvesting, many miles of primary access roads were constructed, as well as secondary spur roads emanating from these access routes. The first major development into our concession

area north of the 50th parallel started north of Vermilion Bay in 1940, when two camps were established in the area at Redbluff Lake, near the southern boundary of our East Patricia limit. During the next 8 years, operations had extended north to Nelson Lake and seven camps had been established. Further development included a sawmill located at Cedar Lake and a town site, which still exists as the base of our cutting operations in the East Patricia area, at Camp Robinson.

In the mid 1950's and thereafter, operations commenced in the East Patricia area with the commencement of construction of the Jones Road. The main artery of this road extended to Oak Lake as its northern end point. Our road network north of this latitude is extensive having gone from zero mileage in 1940 to about 450 miles today, of which 208 miles of this network is presently being maintained for company operations. This includes such gravel access roads as the Jones, Lount, Segise, Portal Lake, Deer Lake, Aerobus Lake and Fleet Lake roads. A part of this road system is now incorporated into highway #105, the only road route to Red Lake.

2.4 TOURISM

Due to the development of the area and the access provided by the roads into Red Lake and into the West Patricia area (via the Jones Road), a tremendous recreational area has been opened up with ready access to both northwestern Ontario residents as a social amenity, as well as to visitors from outside the area, to newly created commercial tourist resorts. In retrospect, much of the big game wildlife improved substantially as the cutting operations progressed in the areas.

The fishing, hunting and camping opportunities which were opened up for the peoples of the Province are of superior quality.

25 NATIVE PEOPLE

The Jones Road access highway opened up the area to where the Easy Narrows Indian Reserve were able to build a road from the reserve connecting with that access highway. This provided road access and transport to the reserve people.

Our company has a long standing record of having dealt with all the major Indian Bands from Northwest Angle Reserve in the south to Redog Reserve in the north, in the production of timber resources available on the reserves, as well as off Crown lands. These operations have been run as band operations, but as well, we have actively encourage individual Indian entrepreneurs in their own timber operations.

We have not been as successful as we would like to be in the employment of native people in our company operations in the northern part of our limits but it is not through lack of desire. We record that in our northern operations out of Fort Frances it is somewhat different wherein we have been successful in employing and integrating a number of reserve people in our timber harvesting operations. Recently, during the past months, the Kenora mill has been successful in employing and integrating approximately 15 native persons. This is a continuing program and hopefully the number will increase in the ensuing months and years.

At the request of the Department of Indian Affairs and the Easy Narrows Band, this company returned a portion of it's licenced concession area in the vicinity of Steward Lake for transfer to the Band and is readily accessible to the reserve. We actively participated in their planning, management of the area, and assisted in the hauling of the

production which the company purchased. The company personnel made a concerted effort to have the Band become self sufficient in gainful employment through the release of timber allocated for the use of the company plant facilities.

ECOLOGICAL IMPACT

.1 FOREST MANAGEMENT

.1.1 LICENCE REQUIREMENTS

The following are most of the main requirements which an operating company must provide to the Ontario Government in maintaining a licence in good standing:

the preparation of a 20 year Forest Management Plan consisting of a written general report as to topography, the effect of the operations on the economy of the area, the probable road development during the period and other pertinent information. Such a Management Plan requires that a Forest Inventory be made of the area, this inventory provides as to acreages and volume of wood available by species, age class and site class maintenance of the above inventory during the licence period.

the preparation of an operating plan to cover a period of 5 years, wherein detailed plans are developed to show roads and camp development, areas where cutting is to take place, volumes to be cut and plans for silvicultural work.

the preparation of annual operating plans showing in detail, wood to be cut by species and volume, roads to be built and stream crossings, all on large scale maps. These must be submitted 30 days prior to commencement of harvesting operations.

regeneration surveys of cutover areas to be made each year along with an Annual Regeneration Plan.

report as to kinds and quantities of wood cut each year, details of

wood cut by volume, species and what it has been used for - pulpwood, ties, lumber, piling, etc.

maps showing area cutover each year and a statement as to acreages involved.

1.1.2 LICENCE IMPACT

As fifty percent of the area the Ontario-Minnesota Pulp and Paper Company Limited holds under licence to harvest timber from the Province of Ontario lies between the 50th and 51st north parallels of latitude, the recommendations of your inquiry could have a profound effect on this company's operations. Our operations north of the 50th north parallel of latitude are those associated with wood harvesting and silvicultural work to ensure a continued wood supply for our Kenora pulp and paper mill, and sawmill. As these two mills, directly and indirectly, support a very large segment of the population of the Kenora-Keewatin area, any decisions of this commission could have a far reaching effect on the economics of these and other municipalities in the area. Two hundred and thirty of these employees "work in" or are "in support of" our operations north of the 50th parallel north latitude.

We have gathered the impression that many people believe the Commission's inquiry covers an area in which, to date, no wood harvesting and any consequences has occurred. We submit that this company, for one, has been harvesting wood between 50° north latitude and 50° 40' north latitude since 1943, indeed fully ninety percent of the annual allowable cut of conifer species from our licenced lands designated as supply area for our Kenora mills comes from areas north of the 50th north parallel of latitude. Needless to say any decision by this commission which would restrict or alter the harvesting of the annual cut from these areas is of great concern to our employees and the communities in which they live.

3.2 HARVESTING

Since 1943 our average annual cut from the area covered by this inquiry has been 61,600 cunits. The total area cut over up to March 31st, 1977 has been 283,967 acres, (443.7 square miles), mainly using the clear cut system. Exhibit #4 following outlines the details of annual cut and acres of forest harvested north of the 50th parallel. We submit that these harvesting operations do not appear to have had any noticeable effects on the environment.

In the clear-cutting method all of the merchantable trees on an area are removed in a single harvesting operation. This method is used primarily in our northern coniferous forests to harvest natural, even aged stands that have reached or are beyond maturity.

The clear cut method is now being modified to reduce the size of contiguous cut over areas. This is being done for aesthetic reasons, as well as for game management purposes, as public reaction to clear cut harvesting has been unfavourable. The company must regulate how the cutting process is to be allocated under the supervision of the Ontario Ministry of Natural Resources.

The company is not fully convinced that the modified cuts will be effective but will cooperate with the Ministry in that endeavour. It must be kept in mind however, that too much close regulation and adherence to strict specification will only increase the cost of wood, in our case, as much as \$15.00 per cord.

3.3 ENVIRONMENTAL GUIDELINES

The Environmental Assessment Act of 1975 requires that all undertakings affecting the environment would necessitate an environmental assessment to be submitted for government approval - prior to commencing the project.

Forest management activities on Crown lands are scheduled to be under the Act in July, 1978. Since the O.M.N.R. has the overall responsibility for forest management on public lands in Ontario - the O.M.N.R. is considered the proponent of such activities and therefore they must prepare an environmental assessment that is acceptable to the Ministry of the Environment.

The forest industry has been co-operating with the O.M.N.R. in developing these guidelines. These guidelines should be practical to implement and within economic reality.

4 RECREATION - MULTIPLE USE

The development of a road system means an increase in recreational opportunities for local residents and tourists. Although our roads are constructed solely for the extraction of timber, we have permitted the public use of them at most times, the exceptions being, restrictions due to hazard, or safety of our wood employee during hunting seasons in the logging areas. Our support of the multiple use philosophy has meant a large increase by anglers and hunters into areas which had previously been inaccessible. Another development in the area serviced by our road system has been the establishment of a number of tourist resorts on sites made available by our access roads and these resorts contribute to the support of the economy of this region.

5 REGENERATION

It has been and continues to be company policy to ensure that the productivity of the forest land is being maintained. We have, therefore, instituted a system of forest inventory whereby each area is re-inventoried every 8 or 10 years. We also complete regeneration surveys on all acres over 5 years following cutting, these surveys have been completed for more than 30 years. The records show that only 1.9% of the area harvested

led to regenerate satisfactorily, many of these fail areas were less than 50 acres in extent and had in 10 years following cutting began growing again without help from man.

We would like to have the commission group look at the cut over areas on the ground site. We would welcome the opportunity to have you inspect the cut over areas for any year after 1947 so you will be able to see the conditions of these cut overs today. Exhibit #5, following, outlines the regeneration survey results from the East and West Patricia concession cut overs since 1956.

It is of interest that from mileage 16 north of Vermilion Bay near Falls, (the section of highway #105 passing through our licence area) much of the route passes through areas cut over in the late forties and late fifties. Of particular interest is the area north of Perrault Falls. This area was the centre of a heavy spruce budworm epidemic in the late forties and was clear cut to the highway's edge during the 10 year period from 1944 to 1957 in an effort to salvage the insect damaged and killed timber. A total of 500,000 cunits of spruce and balsam fir were salvaged from areas adjacent to the Red Lake highway during this decade. We submit that one should not note any lack of tree growth in areas clear cut along this highway. Our experience clearly illustrates the absolute need of road access if we are going to manage the forests to minimize fibre loss due to natural phenomena. Without the Red Lake highway and the company's road system this timber would not have been available to add anything to the economy of Northwestern Ontario.

The company currently submits an annual regeneration plan to the Ontario Ministry of Natural Resources outlining work which the company managers feel should be completed in the coming year. This work program is reviewed by the Ministry and approved projects are performed by either the Ministry, or the company on a contract, co-operative basis. These

jects are funded by the Ministry.

Discussions are currently in progress which could ultimately place the responsibility for regeneration with the operating companies, under the direction of the Ministry, with the possibility of some form of incentive to assist in the projects completion.

We concur in the latter proposal, as we feel that industry is not able to complete regeneration projects in their own locale in a much more economical and efficient manner due to the familiarity with the licensed areas. We look forward to participation in and handling such regeneration work and are anticipating governmental participation in some form of incentives towards achieving that objective.

PROBLEM AREAS

The commission must recognize that the economy of the area north of the 50th north parallel of latitude is almost totally dependent on the use of the natural resources in one manner or another. The forest industry has been the prime mover in developing this area with little or no help from the government in the past. We must maintain and develop the productivity of our land base which in the case of The Ontario-Minnesota Pulp and Paper Company licence can only supply our Kenora mills with a maximum of 80% of their softwood requirements. The remainder of our wood must be purchased from independent operators working in Crown Management lands both north and south of the 50th north parallel of latitude as well as from outside the Province of Ontario.

4.1 TIMBER SOURCES FROM OUTSIDE ONTARIO

We should stress the fact that a considerable percentage of our wood comes from other political jurisdiction in which we have no input. Although in the short term we do not see any drying up of these

resources, in the long term it could quite conceivably happen. If this did occur it would have a drastic effect on our mills both at the present levels and for any future expansion.

4.2 EROSION OF TIMBER BASE

As past capital development expenditures on the mills have been justified on the licenced land base available which is capable of generating a given level of sustained production, we view intrusions into our licenced areas for single purpose recreational use, or for any other purpose which restricts our wood harvesting potential for the present or future, as a regressive and unfair reversal of a long term governmental agreement. The annual allowable cut which would be lost to the Kenora mill operations through the creation of wilderness parks in our licenced areas would have a very significant detrimental economic impact on our operations, one which is too drastic to ignore.

The "Atikaki" proposal to establish a wilderness park originally took into consideration 534.7 square miles of area or 41.7% of the total park area of our Pakwash concession. The net merchantable conifer volume, by all age classes, on that area is roughly 3,000,000 cords. In terms of annual allowable cut this would amount to 55,000 cords.

In addition to the foregoing fibre volumes, the proposal would also impact the northern part of the Minaki Crown Management Unit, which we have been told, would remove a further annual allowable cut of 47,000 cords of timber production from the area. In total, the original proposal would have the effect of eliminating approximately 100,000 cords of annual allowable cut from the Kenora mills licenced and market supply areas. This is a four month wood supply for the paper mill. There is no alternative supply area available within a reasonable distance to replace such a significant loss of wood fibre. We can categorically state that the loss

the equivalent of four months of wood supply for our Kenora mill would mean the eventual closure of that manufacturing facility. A paper mill is a highly capital intensive operation and it would be uneconomical to run a mill on an eight month a year basis.

The products and services provided by our forests have become so integral a part of our everyday life that they are taken for granted and their importance is overlooked - yet they play a very meaningful part in the lives of all of the peoples within the communities of this district. The importance of the towns and the district cannot be questioned and as a consequence, the Atikaki, or any other "wilderness park" proposal poses a very real and significant threat to the long term survival of our mills.

We have therefore gone on record publicly with our position of concern and opposition regarding the possibility of the creation of such wilderness parks, in areas which would erode the timber harvest available to presently functioning mills, or significantly alter the economics of the wood supply sources.

2.3 COSTS

One must recognize that the pulp and paper industry has been experiencing some difficult economic times in the last two or three years, and the competitive position of the Canadian industry has been seriously weakened in recent times, through rapidly escalating costs. In addition, there is an oversupply of production available in the Canadian newsprint industry with recent operating rates of mills running significantly less than capacity. Forecasted future growth in the world production of newsprint does not favour the Canadian industry, whereas announced construction plans have been released for the U.S. south and west areas, as well as overseas locations.

This condition has to reflect the concern of the investment

community as to the abilities of the Canadian industry to remain competitive.

We submit that any serious dislocation of our traditional harvesting areas will add costs to our product line which will further weaken our competitive position. As a measure of our competition, southern U.S. mills have wood costs which are \$25 - \$30. per cord less than our present cost.

The company have constructed and maintained considerable mileages of gravel access roads in the harvesting of timber and for silvicultural work, which have been opened to other users under the multiple use philosophy which we actively practice. Current costs of these access roads, which are being built to higher speed standards as time progresses, average in the area of \$35,000 per mile for construction costs, and have ranged as high as \$65,000 per mile dependent on the terrain encountered. These access roads have been constructed without any aid from the Province and it should not be overlooked that these privately constructed and maintained road systems have been opened to, and used by, the public, recreationists, motorists, governmental employees, and agencies at both the provincial and federal levels with minimal restrictions.

A further factor which should be recognized as a detrimental aspect of the cost of living or working in northern Ontario is the cost of fuel. In the transport of our product from the woods to the mills approximately 28% of the landed costs are for transportation charges. A significant amount of our transportation cost outlay is for the purchase of fuel for road haul equipment. It is a constant question of people and firms in the north as to why there should be such a wide variance in the price of fuels between surrounding cities in Northwestern Ontario and Manitoba, as well as Eastern Ontario, as opposed to the smaller towns in Northwestern Ontario. The price of gasoline, at \$1.00 per gallon, is rather ludicrous when compared to city prices in Winnipeg, Manitoba or Thunder Bay, Ontario.

This observation, we feel, is worthy of some further attention and discussion by the Commission on behalf of the people of Northwestern Ontario.

The woods industry has enjoyed a long and successful business experience in the north, and has contributed substantially to the economy at the local, provincial and federal levels. In timber harvesting a plateau has been reached in the productivity of the operations with the present methods of production. We, and the industry as a whole, are continually searching for new and more efficient ways to alleviate the situation, but find that the capital costs for the acquisition of new equipment are high in today's market. These are only a few of the problems which are contributing to our industry being placed in an unfavourable competitive position.

FUTURE PLANS

1.1 LOCATION OF LIMIT OPERATIONS

In reviewing the production cycle of the company since the paper mill operations commenced at Kenora in the mid twenties, the Lake of the Woods concession area was harvested with wood being delivered by water floating methods. Harvesting operations began in the East Patricia area on a large scale during the period of the late forties and early fifties including the salvage of budworm killed timber. In the mid fifties, with the addition of the then new number 10 paper machine at the Kenora paper mill, the West Patricia area was developed, and harvesting of the mature timber took place.

We are now looking to the Pakwash Concession which must be viewed as our key supply area for the next several decades with an abundance of mature and overmature timber stands available for harvesting. As you will note on the Exhibit #1 map, we are now commencing the harvesting

the last major untapped wood source on our licenced areas. This new development is approximately 100 miles from the mill on a direct line basis 140 to 150 miles by truck route, which will be the delivery method of production in the foreseeable future.

52 FUTURE

Our company has under consideration a plan to modernize and/or expand our operations in Northwestern Ontario.

However, before we could implement any of these plans we must have assurance in a number of areas from the Province and thus we would propose the following recommendations:

The eventual replacement of timber presently being procured from sources from outside the Province of Ontario.

No further erosion of our timber base.

We would further recommend that in order to remain competitive;

- (a) there should at least be a sharing of road construction costs, as they are no longer for single use purposes - as an example - tourist use.
- (b) reduce energy costs
- (c) review indexing formula for determining Crown dues to take into account the cost of manufacture of products which it now does not do.

SUMMARY

In summary, the district from the U.S. border to Red Lake and the society and environment which exists has been largely developed from renewable and non-renewable resources. The continuity of the area will now hinge on the wise use and proper protection and regeneration of the renewable timber resource available.

The persons within the district seem reasonably satisfied, on balance, with the type of life, society and amenities which are available and at their disposal. Certainly improvements can and will continue to be made to the environment, and we reiterate, that any responsible person could not knowingly despoil that which nature has provided.

Our company has played a large part in these areas being as they are today, and hopefully, the future will provide us with the opportunity to further develop our operations and make our contributions towards a more secure and better society for future generations.

Respectfully submitted,

THE ONTARIO-MINNESOTA PULP AND PAPER COMPANY LIMITED

NOVEMBER 21, 1977

MAP OF CONCESSION OUTLINES
CAMP LOCATIONS AND ROAD NETWORK.



ANNUAL ALLOWABLE CUTS SUPPORTING THE KENORA MILLS

<u>SOURCE</u>	<u>ALLOWABLE ANNUAL CUT- M CORDS</u>		
	<u>SPR.-BAL.</u>	<u>PINE</u>	<u>POPLAR</u>
CECE 326700 (THE ONTARIO-MINNESOTA PULP AND PAPER IPNY LIMITED) NORTH OF THE 50th PARALLEL	107.7	96.7	85.9
CECE 326700 (THE ONTARIO-MINNESOTA PULP AND PAPER IPNY LIMITED) SOUTH OF THE 50th PARALLEL	8.9	17.5	8.2
LAKE CROWN MGT. UNIT	46.6	41.8	18.7
MAI CROWN MGT. UNIT	31.6	35.2	-
WNTIN CROWN MGT. UNIT	7.2	15.1	-
MOA CROWN MGT. UNIT	10.9	17.4	-
EDN CROWN MGT. UNIT	7.3	13.1	12.9
NAU CROWN MGT. UNIT	10.7	22.8	-
IVNCE OF MANITOBA*	37.0	13.0	-
MINNESOTA IMPORT (N.W. ANGLE)*	8.0	-	-
MINNESOTA IMPORT (INT. FALLS)*	8.0	-	-
TOTAL	283.9	272.6	125.7

ACTUAL ALLOWABLE CUTS NOT AVAILABLE - THESE FIGURES BASED ON 1978 PROJECTED REQUIREMENTS

AREA CUTOVER AND CORDS CUT - ABOVE 50TH PARALLEL

Year	EAST PATRICIA		WEST PATRICIA		PAKWASH		TOTAL	
	Acres	Cords	Acres	Cords	Acres	Cords	Acres	Cords
94-98	13,573	160,303					13,573	160,303
94-49	5,360	63,301					5,360	63,301
94-50	4,493	59,908					4,493	59,908
95-51	6,987	107,151					6,987	107,151
95-52	4,813	70,786					4,813	70,786
95-53	5,813	55,040					5,813	55,040
95-54	4,808	64,972					4,808	64,972
95-55	5,572	60,073					5,572	60,073
95-56	4,567	50,622					4,567	50,622
95-57	6,184	74,928					6,184	74,928
95-58	7,347	64,360	1,623	11,683			8,970	76,043
95-59	4,464	42,287	2,862	31,612			7,326	73,899
95-60	3,432	33,181	5,078	39,035			8,510	72,216
96-61	3,269	28,533	5,966	42,047			9,235	70,580
96-62	2,894	28,924	7,564	44,960			10,458	73,884
96-63	4,081	33,276	11,862	49,892			15,943	83,176
96-64	3,911	25,905	7,304	44,868			11,215	70,773
96-65	3,682	26,967	9,422	47,894			13,104	74,861
96-66	2,452	27,072	10,112	41,398			12,564	68,470
96-67	4,191	48,040	10,576	55,577			14,767	103,617
96-68	3,834	39,694	13,930	54,743			17,764	94,437
96-69	6,477	43,599	7,432	59,270			13,909	102,867
96-70	6,350	47,495	7,371	71,875			13,721	119,370
97-71	5,418	42,348	9,906	60,449			15,324	102,797
97-72	4,379	40,959	6,212	54,130			10,591	95,089
97-73	3,811	39,514	6,610	46,108			10,421	85,622
97-74	2,161	40,685	5,547	60,221	480	2,355	8,188	103,261
97-75	1,970	40,395	4,663	49,009	958	10,845	7,591	100,249
97-76	597	19,358	2,765	25,688	1,396	18,738	4,758	63,781
97-77	2,414	20,245	3,702	27,267	1,322	15,082	6,325	62,591
	139,304	1,499,921	140,507	917,726	4,156	47,020	283,967	2,464,666
	10.77 cords /average cut		6.53 cords/average cut		11.30 cords/average cut		8.68 cords/ave. cut	

283,967 Acres = 443.7 square miles of cutover since 1943 = 18% of total productive
above 50th North parallel of latitude 1,566,046 acres = 2447 square miles

34 years of harvest - average cut 72,490 cords 8,352 acres

EXHIBIT #5

REGENERATION SURVEY RESULTS

Traverse	East Patricia Concession				West Patricia Concession			
	Acres	0-40%	41-60%	61+	Acres	0-40%	41-60%	61+
5-57	5,793	84	447	5,262				
5-58	6,736	72	271	6,393	1,473	4	144	1,325
5-59	5,920	67	595	5,258	3,658	35	309	3,314
5-60	3,001	57	161	2,783	4,555	55	259	4,241
6-61	5,314	152	262	4,900	6,980	91	416	6,473
6-62	2,934	19	35	2,880	6,795	71	738	5,986
6-63	4,576	128	272	4,176	11,616	170	582	10,864
6-66	11,555	347	690	10,518	22,444	160	318	21,966
6-67	4,739	52	135	4,552	10,973	636	1,621	8,716
6-68	3,361	0	64	3,297	12,197	89	111	11,997
6-69	5,226	193	0	5,033	5,981	567	56	5,358
6-70	6,255	62	24	6,169	7,028	50	10	6,968
7-71	5,698	28	381	5,289	9,441	98	80	9,263
	71,108	1,261	3,337	66,510	103,141	2,126	4,644	96,471
	103,141	2,026	4,644	96,471				
	174,249	3,287	7,981	162,981				
		1.9%	4.6%	93.5%				

	<u>Productive Acres</u>	<u>Gross Acres</u>
Total area - Pakwash	636,904	1,011,288
East Patricia	441,062	615,488
West Patricia	<u>375,095</u>	<u>571,482</u>
Above 50th Parallel	1,453,061 (66.1%)	2,198,258
	50.8%	50.5%
Below 50th Parallel	1,405,434 (65.3%)	2,151,652
	<u>49.2%</u>	<u>49.5%</u>
	2,858,495 (65.7%)	4,349,910



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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

REED LIMITED

PRESENTED AT

RED LAKE
ON

NOVEMBER 14, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

REED LIMITED
145 King Street West
Toronto, Ontario
M5H 1J8

PRESENTED AT

RED LAKE
ON
November 14, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
ROOM 801
TORONTO, ONTARIO
M4W 1A5

Attached to the original documents of Exhibits 50 and 51 are photographs which cannot be reproduced for publication. This portion of the above mentioned exhibit can be viewed at the Commission office at 55 Bloor St. West, Toronto.

REED

No.

50

Royal Commission on the
Northern Environment
This exhibit is produced by

Reed Ltd.

This ^{14th} day of *Nov* 1977

Squawam

Presentation

to the Royal Commission on the Northern Environment

made by

Kenneth D. Greaves

Senior Vice-President

on behalf of Reed Ltd.

Monday, November 14, 1977

Red Lake, Ontario

d.
St. W.
Ontario
862-5000

Mr. Commissioner, I am making this presentation on behalf of Reed Ltd. We wish to thank you for this opportunity to appear before your Commission.

At your invitation, Reed Ltd. last month made a written submission to you. We provided 50 copies, and understand that the Commission has made certain of these submissions available for public scrutiny. I now tender one additional copy for filing as part of the formal record of this Inquiry.

This written submission presents basic information about our Company, our plans and our operations in Northwestern Ontario. We trust the information will be useful to the Commission during the early stage of your Inquiry, as you attempt to assess the experience of various participants in the economic and social life of this large region of our Province.

Today we would like to put a framework around the basic facts presented in our Company's submission. I will discuss our views on the development of resources and the provision of services and infrastructure in Northwestern Ontario, our

views on public examination of development projects and our suggestions concerning the manner in which your Inquiry may proceed, and the overall objective of your Inquiry. Also, I will discuss the status of and the outlook for the forest products industry in this region of Canada, including the proposal which our Company has been studying.

Our Company expresses total support for the controlled economic development of natural resources in Ontario north of the 50th Parallel, provided that appropriate safeguards are in place. In short, we believe in controlled development.

There is no question that the forests of Northwestern Ontario have been, are now, and should be a continuing and expanding source of valuable benefits for a great many Ontarians. The fibre of the forest is required for a wide variety of wood and paper products, used by consumers not only in this country but around the world. The forest provides employment to the men and women who harvest the trees, who are involved in the regeneration programs, and who are employed in the conversion of the trees into usable and saleable products. Such activities in turn provide indirect employment, in services and support industries. These activities generate corporate and personal income taxes, municipal taxes, sales taxes and other forms of income to

governments at all levels. In turn, of course, governments provide a wide range of services.

But these are not the only benefits. The Crown lands on which wood fibre is harvested in Ontario are public land -- land which is accessible to all citizens for a variety of purposes. And the trees themselves are a renewable resource, one of the few that, with proper care, can be returned to usable form again and again. Trees are a crop which if not harvested will deteriorate and die. With proper management, they will provide an economic industrial base in perpetuity. Productive forest land can be compared to a farm that, if managed properly, can yield an annual crop forever. Forests differ in that trees take 60 to 100 years to reach the point of producing a merchantable product, but in many other ways they can be fairly compared with an agricultural crop. Like a farm, a forest can benefit further from intensive management -- to yield even greater supplies of wood fibre on later rotations.

We recognize that the forest resource represents just one aspect of economic development in the North. The Commission undoubtedly will hear representations concerning mining, transportation, agriculture, tourism and energy transmission, to name just a few.

But we believe that appropriately balanced and properly controlled economic development of all types should be encouraged, because of the benefits it brings to people.

Further, we believe that an improved infrastructure and better services must be made available to the residents of Northwestern Ontario, to assist in the overall improvement of their standard of living.

By infrastructure, we include not only roads and railways, but also hospitals and medical clinics and schools; not only hydro-electricity and other energy sources but also public meeting centres and recreation facilities.

The list could go on. But the main point, we believe, is that all such developments ought to benefit people. And it should be remembered that the people of this great region have many different and sometimes conflicting needs and desires.

Because Northern Ontario's needs are so great and its hopes so varied, we believe it is useful that they be fully examined outside the usual administrative government agencies which have been created to provide services.

We support the objective, public analysis of any planned major development in this region. A proposal that our Company is studying, in fact, is destined for a thorough and public examination by the Environmental Assessment Board, should we consider the project viable.

In the meantime, our Company is appearing before you, at the Commission's invitation, as are so many other participants in the life of this region, to present general views on the future of Ontario north of the 50th Parallel.

We believe that the Royal Commission on the Northern Environment faces a most difficult and challenging task. You will hear, no doubt, a wide range of views on the future of this region. You will hear from many residents about how they wish to see their homeland develop. But more difficult, and more important, will be your analyses, judgments and reports to the Government of Ontario and through it, to the people of Ontario. Because clearly what will be needed is creativity. Creativity will be required to bring together groups with differing views. Creativity will be needed to recommend future actions to benefit the greatest number of citizens of this region and of this Province generally. And imaginative proposals will be required to encourage the initiative of those who wish to play a greater role in the future of this region.

Throughout your Inquiry, we understand that you will wish to learn the hard facts about the realities in this region as well as the desires and hopes of its residents.

As I have indicated, we believe our written submission with attached photographs will help to provide you with facts and impressions on which you may begin to evaluate our experience in this region of Ontario.

But we feel that the Commission would also benefit from actual visits to our operations. The practice of forestry, for instance, is one that is most complex, carried out under a wide variety of soil and topographic conditions and at different seasons of the year. We would be most pleased to arrange for the Commission and its staff members to visit our operations.

But now I wish to provide some additional "cold hard facts" about the economic environment in which we are operating, and the outlook as we see it.

Currently the Eastern Canadian forest products industry is facing a most difficult set of economic circumstances. Our own Company has announced that it expects to lose not less than \$20 million in 1977, and this follows a year of extremely

low earnings in 1976. Let me outline some of the problems which are common within the Eastern Canadian industry.

At the heart of any business, of course, is the customer. Unless customers wish to buy a product or service -- whether that be pulp and paper, or base metals, or dry cleaning -- the business which provides that product or service has little chance for success.

Today, around the world, the demand for pulp and paper products is growing very slowly, when compared to historical trends, because so many of the world's nations are suffering from slow growth or actual recession. There is unused production capacity in the industry, and shutdowns -- either temporary or permanent -- are occurring in plants around the world.

At the same time, producers of some pulp and paper products and their customers are holding large inventories of these products.

The product which currently is suffering most from this situation is market kraft pulp -- that is, wood pulp manufactured by the sulphate process, and sold on the open market to

paper products manufacturers. As we indicated in our written submission, this is the major product of our Dryden mill.

This worldwide oversupply of market pulps affects producers in two obvious ways. First, it means that there is less reason to produce more pulp. Secondly, there is downward pressure on prices through competitive forces. This all comes at a time when almost every one of our costs of manufacture -- labor, wood, taxes, transportation, energy, chemicals, etc. -- are higher than they were a year ago.

At the same time, it must be remembered that we are not operating in isolation -- either in Northwestern Ontario or in Canada itself. Our industry must compete with the producers in the United States of America, who have generally lower costs and a faster growing wood supply, and in Scandinavia, where the state provides considerably greater assistance to their industries than Canadian governments have provided to help this nation's largest manufacturing employer.

We are not weeping and wailing. Companies in our industry and their employees are working hard to become more efficient, more productive and more competitive. In Canada we are

collectively spending hundreds of millions of dollars every year on newer machinery, on environmental protection, on better working conditions, and on improved salaries and wages and fringe benefits.

What we are saying is that these tough economic times call for realistic re-appraisals. Our industry exists to make pulp, paper and wood products that people around the world require for their daily lives. In doing so, we attempt to provide a fair and worthwhile living for our employees and a fair return to the investors who helped to build our companies. We do attempt to provide wider social benefits, to the best of our ability, but there is a limit to the resources we can marshal in a given period of time.

Such a realistic appraisal must be applied to the proposal we have been studying for the possible establishment of an integrated kraft pulp mill and sawmill in this region.

Our interest in such a possibility came about as a result of a specific request of the Government of Ontario, which was seeking to improve the level of services and economic opportunity available to all residents of this area.

Our proposal was conceived and developed further in the 1974-75 period -- a period which was one of the most successful in the history of the Canadian industry, when pulp and paper prices moved up significantly, and when return on investment began to reach adequate levels for the first time in more than a decade.

Already, our proposal has been subjected to intense public and media scrutiny. Most of the attention has focused upon social and environmental impacts, real or imagined. We ourselves are proud that we have approached the study of our concept as carefully, thoroughly and objectively as we have, with due regard for the socio-economic and environmental impacts that such a project might have.

However, no one should forget that such proposals do not proceed very far beyond the concept stage unless there are good and sufficient economic reasons. Our proposal remains in the concept stage.

The Commission may be interested to know that in all of Canada, today there is only one major "greenfield" pulp complex under construction, and that is in the Province of Quebec. That project is being heavily supported by government

financing. While we have no inside knowledge about that project, a detailed estimate by a forest industry securities analyst indicates that by the early 1980s, several years after the project is expected to be completed, the price of kraft pulp must be approximately a full 50% higher than present prices just for that mill to break even.

Therefore, given present conditions, we now believe that an integrated forest products complex such as we are studying would not be financially viable if it were to be completed before the end of this decade as envisaged at one earlier stage, and its viability beyond that period remains in question. The Commission will understand that the complex question of financial viability is most difficult to determine, and must be computed over a long period of years. Obviously, the farther into the future one looks, the more uncertain any projection or estimate becomes. At this point, there are a great many unknowns and our proposal must continue to be reassessed and reappraised, in the light of developing trends in major world economies.

We are not saying the proposal will never be justified. We plan to continue our interest in the proposal, conscious of the many benefits it would create, including benefits to the residents of this area and to the Province.

As indicated in our written submission, very little more can be done about studying the proposal until we receive the detailed forest inventory that is being prepared by the Ministry of Natural Resources.

With this perspective, I believe you can understand why we are being cautious about the proposed project. But I also believe you can see that there will be ample time to study and discuss any specific proposal which we might put forward.

We hope that the topics covered in the Company's submission and in these remarks today will help suggest issues to be considered in the course of the Commission's Inquiry. We also wish to take advantage of the Commission's invitation to comment specifically on the manner in which it will conduct its Inquiry.

As a proponent of private sector development, the Company is concerned that development should be able to proceed in Ontario in a regulatory environment that not only protects the public interest in such matters as environmental impacts, but also encourages the private sector to expend the necessary time and resources on development. We believe it is essential that whatever regulatory ground rules and development review

and approval procedures are established, that these not be unreasonably and unduly restrictive, and that they not be subject to arbitrary and unilateral change.

If the Commission is to consider and make recommendations with respect to such environmental ground rules and review procedures for different classes of development, then these objectives should be kept in mind. At present, in both Federal and Provincial jurisdictions, most statutes which regulate development proposals (such as The Environmental Assessment Act of Ontario) still reserve the final decision to a political process, such as approval or reversal, or in some cases modification, by a Minister or the Cabinet. This occurs despite the fact that such statutes typically provide for a quasi-judicial administrative review process before a Board or Tribunal, which prescribes criteria to be met by the proponents of development. While it may be impossible to remove the decision-making process entirely from the political arena, the Commission should consider and recommend with respect to legislative ways and means of isolating developmental-review from the vagaries and uncertainties of the political process.

With respect to the conduct of this Inquiry, we would suggest that the Commission should avoid, as far as possible,

duplicating the environmental review process which is to be undergone by various development proposals under The Environmental Assessment Act.

Regardless of our Company's specific interests, we do believe that the Northern region of Ontario has a great unrealized potential. It must be assessed carefully, with due regard to the desires of all residents and to the realities of economic, social and environmental conditions in the region.

We will observe the progress of your deliberations with interest, and we look forward to the eventual recommendations of your Commission.

We do so with optimism, because we believe that your Commission and the Government of Ontario will recognize the important potential of the resources of this region, the benefits that such resources can bring to the people of this region, and the needs of the residents that must be satisfied.

And we thank you for your interest and attention today.

(END)

No. 51

Royal Commission on the
Northern Environment

This exhibit is produced by

Reed Ltd

this *14th* day of *May* 19*77*

Squarier

Submission of Reed Ltd.

to the Royal Commission

on the Northern Environment

in response to the Commission's

initial request for information

October 1977

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Appendices

Appendix "A":	"Sales, net earnings and fixed assets/Reed Paper Ltd./1972-76"
Appendix "B":	"Timber limit licensed to Reed Ltd."
Appendix "C":	"Production of forest products by Reed in Northwestern Ontario" and "Use of wood fibre by Reed in Northwestern Ontario"
Appendix "D":	"Map of Forest Study Area"
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Foreword

Reed Ltd. ("Reed" or "the Company") makes this submission at the invitation of the Royal Commission on the Northern Environment (the "Commission").

Reed operates businesses in a number of Canadian provinces and in the United States of America. In the region commonly known as Northwestern Ontario, the Company's primary business activities comprise a pulp and paper mill and adjoining chemical plant, a sawmill, and timber harvesting operations which provide wood fibre for the pulp and paper mill and the sawmill. In the region specifically under investigation by the Commission -- that portion of Ontario north of the 50th Parallel -- the Company operates no manufacturing plants. But it does engage in timber harvesting in that region, and has done so for a number of years.

For the past four years, Reed also has been investigating the possibility of another forest products complex which could be located north of the 50th Parallel, and could be supplied from a timber limit adjoining the Company's existing woodlands operations.

2 (Continued). a large public company with headquarters in London, England, and which carries on business in the United Kingdom and many other countries of the world. The sales, net earnings and fixed assets of Reed Paper for the past five years are set out in Appendix "A".

II. Company Operations in Northwestern Ontario

3. A substantial portion of the Company's pulp, paper, chemical and lumber manufacturing operations are carried on in Northwestern Ontario, centred at or near Dryden, Ontario. In total, the Company employs more than 1,600 people in Northwestern Ontario, with annual wages, salaries and benefits totalling approximately \$33 million. The Company's plants in Northwestern Ontario are all located south of the 50th Parallel. The wood supply for these operations is obtained from two sources. The major source is the timber limit licenced to the Company, comprising 6,873 square miles, of which approximately 5,000 square miles are considered productive. The licence for this limit is a 21-year renewable licence granted by the Government of Ontario pursuant to The Crown Timber Act. The major part of this limit lies north of the 50th Parallel, and is important to the long-term viability of the Dryden-area operations. (See Appendix "B".) A second source of wood fibre is the Company's purchase of timber harvested by independent contractors and permittees operating on other Crown or private land.

4. The original pulp and paper mill at Dryden was built by a predecessor company in 1911, and started up in 1913. The pulp mill is a "kraft" mill -- which means it is based on the sulphate process of chemical pulp manufacture -- and was one of the first kraft mills in the Province. Since start-up in 1913, the mill at Dryden has been rebuilt substantially and expanded. It now has a rated annual capacity of approximately 140,000 tons of bleached and unbleached market kraft pulps and 70,000 tons of bleached and unbleached fine and specialty grade papers. The Company's sawmill near Dryden (formerly Colenso Lumber Company Limited, purchased in 1969) has an annual capacity of 38 million board feet of dimension lumber. On average, the Dryden manufacturing operations require annually about 350,000 cunits (one cunit equals 100 solid cubic feet of wood). Approximately 85% of this is harvested from the Company's timber limit, with the balance purchased from independent suppliers. (See Appendix "C".) A portion of the fibre supply for the pulp mill is derived from chips produced as a by-product at the sawmill.

III. Forest Management and Fibre Supply

5. Many sources of cellulose fibre may be used in the manufacture of pulp, which in turn is used for the manufacture of a wide variety of paper products. Northern softwoods such as Jack

- 5 (Continued). Pine and Black Spruce which predominate in the Boreal Forest Region of Ontario form the basis of fibre supply for pulp manufacture in the Province. Pulp made from these species traditionally has been favored by customers for the strength and other desirable characteristics that the fibres of such softwoods provide to certain pulp and paper products.
6. Forest management policies and practices in Ontario are administered under The Crown Timber Act and regulations thereunder. The Company's licensed timber limit in Northwestern Ontario comprises Crown land -- that is, land which is owned by the Crown in the right of the Government of Ontario, as administered by the Minister of Natural Resources ("MNR"). Because the licensed area is Crown land, it remains accessible to and usable by members of the public (subject to MNR regulations) for a variety of purposes, such as camping, canoeing, hunting, fishing, hiking, bird-watching and photography, etc. Public access to the timber limit area is made possible through roads and bridges constructed and paid for by the Company. Mineral rights are excluded from timber licences on Crown lands, and thus mines may be operated on timber limits by others than the timber licensees. One objective of forest management is to provide a continuing supply of merchantable wood fibre for forest products manufacturers (who in turn pay stumpage fees for the wood

6 (Continued). they harvest, fire protection charges and ground rent, and who provide employment to Ontario residents). The MNR has responsibility for regeneration of forests on Crown land after harvesting or the loss of timber through fires, insects, tornados, etc. As well, the MNR works with licensees such as Reed to manage the licensed areas on a "sustained yield" basis. This means that the volume of timber harvested must not exceed the estimated volume of new growth, net of losses to insects, windstorms, fire and disease. The Company is currently operating under an MNR-approved 20-year management plan (1971 - 1991), under the general system of forest management described above.

7. Throughout the 1950s and into the 1960s, the Company initiated its own planting and silvicultural program. During this period, Company foresters experimented with and helped to develop a number of silvicultural treatments or techniques which were thought to be useful in improving regeneration. One of the most notable developments was "scarification." This involves the mechanical exposure of mineral soil in a cut-over area (not unlike a farmer's ploughing) to improve the natural regeneration of Spruce and Jack Pine on upland sites. Then in 1962, the Ministry of Lands and Forests (now the MNR) assumed the direct responsibility for the regeneration of the forest on Crown lands. At that time, the Company entered into co-operative agreements with the Ministry, under which Company foresters formulated annual silvicultural

7 (Continued). plans and submitted them to the Ministry for approval. Following approval, the Company implemented those plans. Included were such projects as planting, site preparation for additional silvicultural treatment, scarification, and hand seeding. Currently, such projects are carried out by MNR staff or contractors. Nevertheless, the Company retains the responsibility for ensuring that its harvesting program complies fully with MNR regulations.

8. The Company employs an experienced staff to manage its forest operations in Northwestern Ontario. The staff's objectives are to meet the fibre requirements of the pulp mill and sawmill while complying with the regulations and requirements of the MNR and other ministries and agencies of the Provincial and Federal governments. These people have skills in the practice of forestry, labor relations, manpower scheduling, finance, transportation, construction, purchasing, mechanical trades and others. It is the specific responsibility of the forestry personnel to prepare both long-range management plans (20-year) and shorter-range operating plans (five-year and one-year) for timber harvesting on the licensed area.

9. The timber harvesting methods and techniques applied by the Company vary widely, depending on site-specific factors such as soil, tree species, topography, etc. In general, some

9 (Continued). form of clear-cutting is the method used most commonly in even-aged "mature" and "over-mature" stands such as those in the Boreal Forest of Northwestern Ontario where large areas have grown up following natural or man-caused fires. The annual cut of the Company is divided into eight or nine major harvesting or operating units, widely spaced within the licensed timber limit area. Each operation is concentrated in mature or over-mature timber stands (these are forested areas where growth has virtually stopped, and the trees are about to begin or have begun their decaying cycle). The harvesting operations may be broken up further by streams, lakes and shoreline reserves and by the existence of immature stands of trees.

IV. Workforce and Community

10. The Company is the largest employer in the Dryden area. By far the largest proportion of its employees are members of recognized unions -- the Canadian Paperworkers Union, the Lumber and Sawmill Workers Union, the International Union of Operating Engineers, and the Office and Professional Employees International Union. Labor relations have been generally stable; in the history of the operations, there have been only four legal strikes -- in 1963 and 1977 in the woodlands operations, in 1974 at the chemical plant and in 1976 at the pulp mill complex. Employment levels have been

10 (Continued). generally stable, with some seasonal variation.

One noteworthy feature of the Company's woodlands labor force is that it is essentially based on commuting. Employees live at home and travel to and from harvesting areas each day, rather than live in Company-operated woodlands camps, as is common elsewhere within the industry. The following table indicates the average employment levels for the past five years at Reed's Northwestern Ontario operations:

<u>Year</u>	<u>Pulp and paper mill complex</u>	<u>Sawmill</u>	<u>Woodlands</u>		<u>TOTAL</u>
			<u>Dryden area</u>	<u>Ear Falls area</u>	
1972	1,075	105	445	35	1,660
1973	1,050	113	480	36	1,679
1974	1,077	91	478	100	1,746
1975	1,096	110	487	74	1,767
1976	1,060	105	400	100	1,665

11. The Company recognizes that many native people are seeking employment opportunities, and has encouraged their employment either with the Company or in their own ventures. Experience over a number of years at the Dryden-area operations has indicated that few native people are interested in employment in the Company's pulp mill. However, a significant number of

- 11 (Continued). native people have been interested in and have succeeded at employment in the Company's sawmill and woodlands operations. While employment levels do vary from time to time, Company managers at the Dryden-area operations estimate that between 60 and 80 native people are employed by the Company in woodlands and sawmill work -- covering all phases of the operations including supervision. The Company also has contracts for the supply of purchase wood from three Indian Reserves in the area.
12. As noted earlier, the Town of Dryden is the centre of the Company's forest products operations in Northwestern Ontario. Its population is approximately 6,600, but it serves an area with a total population of approximately 20,000. Over the years, the Town of Dryden and the surrounding municipalities have developed in line with the growth of the major employer, the pulp and paper mill. Today, the Company contributes about 40% of the Town's total tax revenues. Dryden is also an agricultural centre, while the tourist industry, transportation and distribution, commercial printing and publishing, and service industries play important roles in the local economy. From the Company's perspective, Dryden serves as the base of services for its employees (such as housing, schools, medical facilities, shops, municipal and other services, entertainment, news media, etc.) and as a location

- 12 (Continued). for services required for business (such as the airport, railways, hotels and motels, repair shops, contractors and other suppliers). Of vital importance to the Company's manufacturing operations are the air services, rail lines and roads and highways which permit transportation of personnel, supplies, raw materials and finished goods.

V. Environmental Concerns

13. There has been a growing concern in recent years about adverse impacts of forest products operations on the natural environment. As this concern has grown -- expressed in part by the passage of such legislation as Ontario's Environmental Protection Act and Environmental Assessment Act, and the development of new regulations over forest products activities -- technology has been developed to the point that many potentially adverse effects may be minimized.
14. The responsibility for developing and monitoring environmentally sound forestry practices has been entrusted to the Ontario MNR under The Crown Timber Act. At the same time, the Ontario Ministry of the Environment ("MOE") carries the prime responsibility for assessing, monitoring and regulating the impacts on the natural environment of manufacturing operations, such as pulp and paper mills.

15. Impacts on the natural environment from pulp and paper mills, specifically, may come from three sources: unusable solid waste residuals destined for approved landfill sites; gaseous and particulate emissions to the air; and liquid emissions. Kraft pulp mills, such as the Dryden mill, require water for the process, and dependable supplies of steam and electricity, which in turn require water. The chemical pulping of wood and the production of paper result in some waste materials which can pollute the air, water and land unless pollution controls are engineered into the processes. The more significant waste materials are as follows: Air emissions (particulate matter as well as certain gaseous compounds); wastewater emissions (dissolved and suspended organic materials, such as wood fibres lost from the process); and inert solids. In sufficient quantities, such untreated emissions have noticeable adverse effects. Gaseous emissions may present odor problems and potential damage to vegetation. Particulate emissions may result in unsightly deposits. Excessive organic materials in wastewaters cause a depletion of dissolved oxygen in the receiving water, a condition which is harmful to aquatic life. In addition, pulp and paper operations, like other heavy industries, may result in certain adverse noise impacts.

16. Because of developing technology in the pulp and paper industry, those mills which have been recently designed and constructed are generally better able to meet environmental standards set by government authorities. In some cases, this is because the processes within the mill themselves are simply more efficient, allowing for lesser amounts of lost materials. In other cases, it is because site selection factors and specific pollution control equipment were basic in the planning process of the manufacturing plant. The task of meeting government-set environmental standards is far more complex, time-consuming and costly for older mills. In some cases, specific pollution control equipment may be "added on" to the mill. But in many other cases, environmental protection measures involve major re-engineering projects and the expenditure of large sums of capital. As well, a number of types of pollution control equipment add significantly to operating costs (notably for energy).
17. The Company's mill in Dryden, as one of the oldest in the Province, has presented considerable difficulties to the Company's mill management, environmental affairs and technical/engineering personnel, who are responsible for improving the mill operations to meet MOE requirements. It has resulted in the expenditure of considerable sums of capital, with little or no financial return. In the three years 1974, 1975 and 1976, the Company spent \$24,900,000 on

17 (Continued). the Dryden mill/chemical operations, on programs to modernize operations and reduce their environmental impact. A considerable further sum is being spent this year on the mill program. A major portion of the Company's program to reduce air emissions from the mill has been completed, and substantial progress has been made on projects to reduce the adverse impacts of liquid effluents. Among the completed projects which directly improve the environmental impact of the mill complex are the following: an air emission scrubber to remove particulate matter from the lime kiln, which is an integral part of the mill's chemical recovery process (capital cost: approximately \$1,000,000); an electrostatic precipitator to remove particulate matter from the air emissions of the recovery furnace, which is used to recover chemicals and energy from spent pulping liquor (approximately \$5,000,000); installation of a permionic membrane process in the chemical plant which produces chlorine and caustic soda (approximately \$5,500,000); and the installation of common effluent discharge lines which would be linked to the primary clarification facilities when they are completed. These facilities would include a 240-foot-diameter clarifier, now under construction, to treat the total effluent flow from the Dryden complex. The total cost of the primary clarification facilities when completed is estimated at approximately \$9,500,000. (See Appendix "F," Photographs 10, 14 and 15.) New facilities for collecting particulate

- 17 (Continued). matter from the power boilers also are being installed now.

VI. Potential Development under Study

18. In the late 1960s and early 1970s, the Government of Ontario expressed publicly its desire to improve the services available to residents of Northwestern Ontario and to develop the economic potential in that region. The Government's policy statement "Design for Development: Northwestern Ontario -- Phase II" suggested target objectives for increased employment in Northwestern Ontario. In 1973, the Minister of Natural Resources specifically suggested to forest products companies in the Province that they consider the possibility of expansion in order to more fully utilize the fibre resources of the Province.
19. In response to this request, the Company expressed interest in a forest area north and east of the Ear Falls/Red Lake area, and contiguous with the timber limit already under licence to the Company. To the Company's knowledge, no other forest products company expressed interest in the area. Following discussions with the Government, the Company proposed that it study the feasibility of establishing a new, integrated forest products complex in the area. The

19 (Continued). complex would utilize timber from a tract of unlicensed Crown land located in the territorial districts of Kenora, Patricia Portion, and Thunder Bay (the "Forest Study Area") (Appendix "D"). All of the Forest Study Area lies north of the 50th parallel of north latitude. At this time, it is not known what portion of the Forest Study Area might be suitable for commercial timber harvesting, as the Area has not been fully inventoried. Pursuant to the provisions of O. Reg. 1009/76, the proposal being studied by the Company has been defined as a "major commercial or business enterprise or activity," and has been designated as an "undertaking" to which The Environmental Assessment Act, 1975, applies.

20. The Company has been studying the concept of integrating a kraft pulp mill and sawmill or sawmills with the capacity of approximately 1,200 tons of pulp per day and 180 million feet, board measure of lumber per annum, respectively, at an estimated cost of \$400 million (1975 dollars). A necessary component of the complex would be the granting by the Government of a timber licence covering that portion of the Forest Study Area necessary to supply in perpetuity sufficient volumes of wood fibre. Chips and fines (sawmill by-products) would provide a major source of raw material for the pulp mill. Whether or not the project is feasible

- 20 (Continued). will depend on a great number of factors, including an adequate supply of economic fibre of suitable quality, projected market demand for the products, estimated capital and operating costs, the arrangement of necessary financing, and all relevant approvals by the Company's Directors and the Government, through its ministries.
21. On October 26, 1976, the Company and Her Majesty the Queen in the right of Ontario as represented by the Minister of Natural Resources, entered into a Memorandum of Understanding (the "Memorandum") which provides that, subject to the fulfillment of a number of conditions, the Minister of Natural Resources, subject to The Crown Timber Act, would grant to the Company a 21-year licence to harvest sufficient timber to support the proposed mills. (Appendix "E".) Detailed forest inventories of the Forest Study Area are to be completed and delivered to the Company within 18 months of the date of the Memorandum, or as soon as possible thereafter.
22. The Memorandum requires the Company to perform several obligations before a licence would be granted. One of the conditions of the Memorandum obliged the Company to prepare and submit to the Ontario Minister of the Environment within 60 days of the Memorandum's date an environmental impact study for the conceptual design of the manufacturing complex under study. The Company had previously, in 1974, commissioned

- 22 (Continued). the consulting firm of Acres Consulting Services Limited to prepare such a study. Accordingly, the study (the "Acres Study") was completed and submitted by the Company as required.
23. Because timber harvesting guidelines in Ontario are established and supervised by the MNR, the Acres Study does not include a detailed environmental assessment of the effects of possible timber harvesting in the Forest Study Area. It was initially contemplated, in concluding the Memorandum, that the hearing process provided for in the Memorandum relative to environmental impacts would deal only with the subject matter covered by the Acres Study, on the basis that Government requirements relating to environmental impacts of forest harvesting would be regulated by the MNR. Subsequent to the signing of the Memorandum, the Government, as stated in Paragraph 19 above, designated the proposal (including forest harvesting) as an undertaking under The Environmental Assessment Act, 1975. Since the Acres Study itself does not constitute a complete "environmental assessment" within the meaning of the Act, regarding this "undertaking" as it has been defined, the environmental review process specified under the Act must await further developments. These include the completion of the forest inventory of the Forest Study Area by the MNR, mentioned earlier, and the preparation of management and operating plans by the Company. Such plans must then be approved by the MNR.

24. Reed requests an opportunity to make an oral submission at the Commission's initial meetings, in accordance with the invitation extended earlier by the Commission.

ALL OF WHICH IS RESPECTFULLY SUBMITTED,

REED LTD.

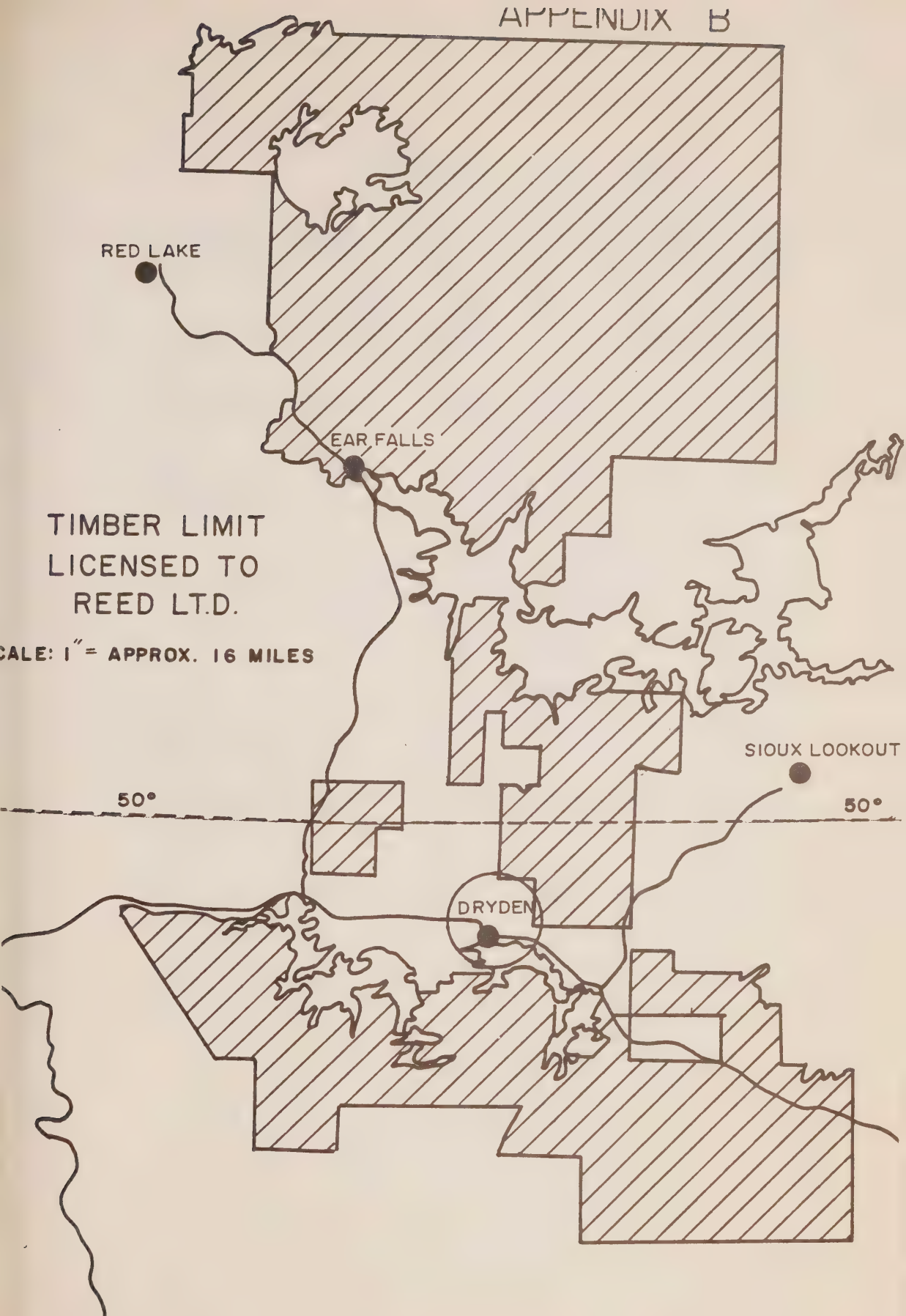
Toronto, October 1977

APPENDIX "A"

"Sales, net earnings and fixed assets/Reed Paper Ltd./1972-1976"

	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>1973</u>	<u>1972</u>
	(in thousands of dollars)				
Sales	429,080	369,067	303,201	217,568	176,025
Net earnings	711	11,108	36,659	19,532	5,127
Fixed assets	296,048	256,842	207,891	186,722	177,727

APPENDIX B



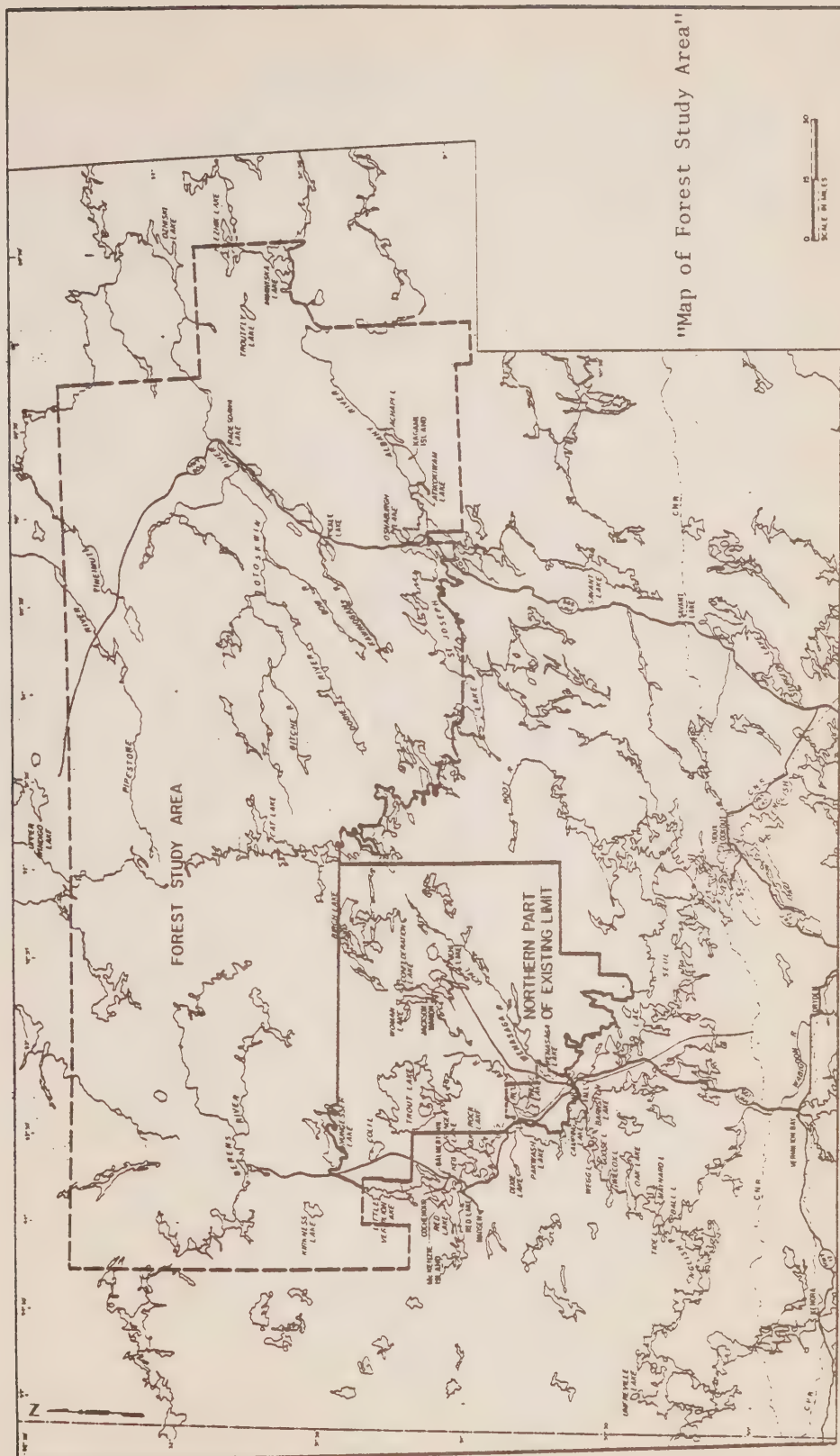
APPENDIX "C"

"Production of forest products by Reed in Northwestern Ontario"

	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>1973</u>	<u>1972</u>
Kraft pulp (tons)	94,579	138,338	129,121	139,983	126,730
Kraft papers (tons)	48,916	53,832	69,344	71,059	62,349
Lumber (millions of boardfeet)	35.1	27.4	29.1	33.6	27.0

"Use of wood fibre by Reed in Northwestern Ontario"

	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>1973</u>	<u>1972</u>
			(cunits)		
Harvested on Company limits	230,841	312,555	331,959	349,994	285,193
Purchased from independent suppliers	<u>44,189</u>	<u>33,271</u>	<u>36,902</u>	<u>47,524</u>	<u>73,169</u>
T O T A L	275,030	345,826	368,861	397,518	358,362



HER MAJESTY THE QUEEN
in right of Ontario

and

REED LTD.

xx

Memorandum of Understanding

xx

Ministry of Natural Resources
Whitney Block
Queen's Park
Toronto, Ontario

MEMORANDUM OF UNDERSTANDING made in triplicate
this 26th day of October, 1976

BETWEEN

HER MAJESTY THE QUEEN
in right of Ontario as represented
by the Minister of Natural Resources,
hereinafter referred to as the "Crown",

AND

REED LTD.,
a corporation amalgamated under
the laws of Ontario, hereinafter
referred to as the "Company",

WHEREAS the Company desires to construct
integrated wood-using manufactories and desires a supply
of Crown timber;

NOW THEREFORE this Memorandum of Understanding
witnesses that in consideration of the mutual promises,
covenants, agreements and undertakings herein contained,
the Crown and Company agree each with the other as follows:

DEFINITIONS

1. In this Memorandum of Understanding
 - (a) "tract" means that land described in Schedule "A"
hereto, measuring approximately 18,983 square miles
and comprising:
 - (i) productive lands estimated to measure 12,242
square miles; and
 - (ii) unproductive lands estimated to measure
6,741 square miles.
 - (b) the expressions "productive lands" and "unproductive
lands" in clause (a) have the same meanings as in
clauses (k) and (p) respectively of Section 1 of
The Crown Timber Act.

- (c) "management plan" means a management plan that conforms with the Manual of Management Plan Requirements as authorized by the Minister of Natural Resources, hereinafter referred to as the "Minister", under The Crown Timber Act;
- (d) "operating plan" means an operating plan that conforms with the aforesaid Manual of Management Plan Requirements;
- (e) "feasibility report" shall include a summation of the material considered by the Company in determining whether or not to proceed with the construction of the pulpmill and either of the other wood-producing manufactories referred to in clause (a) of paragraph 3;
- (f) "pulpmill" means a kraft pulpmill having a capacity of producing not less than 1,000 tons of pulp per day.

ENVIRONMENTAL IMPACT STUDY

- 2. (a) The Company agrees to submit to the Minister of the Environment within sixty (60) days following the execution of this Memorandum of Understanding its environmental impact studies for the proposed pulpmill, and to provide such additional information or explanations as may be required in order that the environmental impact studies may be evaluated fully.

- (b) The Company agrees that it will be prepared by July 1, 1977, to participate and that it will participate in a public hearing to be held by the Environmental Assessment Board of the Ministry of the Environment in the Dryden/Red Lake/Ear Falls area for the purpose of ensuring that the proposed development by the Company will be environmentally acceptable.

FOREST INVENTORY

3. (a) The Crown agrees to commence as soon as possible and to complete and deliver to the Company within eighteen (18) months of the execution hereof or as soon as possible thereafter, the forest inventories described in Schedule "B" hereto, and such other investigations as the Crown may deem necessary, in order that the Company may study the feasibility of constructing the integrated wood-using manufactories which will include a pulpmill, together with either
- (i) a sawmill or sawmills having a combined annual capacity to produce not less than 275 million feet board measure; or
 - (ii) such other wood manufactory as may be approved in writing by the Crown.
- (b) The Crown agrees to provide the Company with the forest inventories described in Schedule "B" hereto, and silvicultural and harvesting requirements for

each working group together with such other instructions and directions as will be necessary, in the opinion of the Minister, for the Company to prepare management and operating plans in respect of the tract.

(c) If and when a licence is granted under clause (b) of paragraph 5, the Company agrees to reimburse the Crown for the cost of

(i) the forest inventory described in clause (a) of paragraph 1 of Schedule B at the price stipulated therein, and

(ii) all or such part of the operational forest inventory referred to in clause (b) of paragraph 1 of Schedule that the Company requires to complete the management plan and operating plan for the licensed area.

MANAGEMENT PLANS AND FEASIBILITY STUDY

4. (a) Within 12 months of the later of

(i) the receipt by the Company of the forest inventories and such other information referred to in paragraph 3 and

(ii) the approval by the Minister of the Environment of the proposed development referred to in paragraph 2, or as soon as possible thereafter, the Company shall submit to the Crown

(i) a comprehensive feasibility report; and

(ii) subject to the conclusions of the feasibility report, and provided the Company is of the opinion that there appears to be adequate supplies of suitable wood fibre for the pulpmill and other wood manufactories referred

to herein, a management plan and operating plan to the satisfaction of the Minister.

- (b) The Crown and the Company agree that the studies and plans provided in accordance with paragraphs 3 and 4 will be designed to:
- (i) achieve the optimum utilization of the forest;
 - (ii) increase the growth potential of the forest;
 - (iii) improve the standard of forest protection;
 - (iv) conform with any plans of the Province of Ontario for the economic development of Northwestern Ontario;
 - (v) enhance the recreation potential and protect the fish and wildlife resources;
 - (vi) improve the employment opportunities of the local inhabitants, placing particular emphasis on meeting the economic and social aspirations of the native people of the region;
- (c) The Minister, upon receipt and approval of the management plan and operating plan, will make them available to the public.

LICENCE

5. (a) The Company will not proceed to construct the integrated wood-using manufactories at any location until the Minister of the Environment gives the necessary approvals.

- (b) In the event that the Company satisfactorily performs all its obligations under paragraphs 2 and 4, the Minister, subject to The Crown Timber Act, agrees to grant to the Company a licence in respect of the tract having a period of 21 years commencing with the first day of April following the acceptance by the Crown of the management and operating plans and feasibility report referred to in paragraph 4, that will enable the Company to cut a sufficient volume of conifers for processing in the manufactories referred to under paragraph 3.

PULPMILL PROJECT

6. (a) Within twenty-four (24) months following the granting of the aforementioned licence, the Company agrees to commence construction of the pulpmill at a location approved in writing by the Crown, and within eighteen (18) months following the start of such construction the Company agrees to have the principal mill building of the pulpmill erected and enclosed.
- (b) Upon the written application of the Company, the Minister, subject to the approval of the Lieutenant-Governor-in-Council, may extend the periods referred to in clause (a) of this paragraph.

FOREST PROTECTION

7. The Crown agrees to provide the same standard of forest protection for the tract as is provided licensed Crown lands in Ontario.

TIMBER ALLOCATION

8. Having due regard to the reasonable business requirements of the Company hereunder, the Minister may make available Crown timber from the tract to maintain the existing wood-using industries now dependent on Crown timber from the tract and without limiting the generality of the foregoing nothing herein shall restrict the Crown from
- (a) granting a Crown timber licence under Section 2 (7) of The Crown Timber Act;
 - (b) granting Crown timber licences under any existing agreements for the supply of Crown timber, or under any existing commitment;
 - (c) granting Crown timber licences to salvage killed or damaged timber and any other timber which should in the interest of economic forest utilization be cut with such killed or damaged timber.

SECURITY

9. (a) To secure the due performance of its obligations under paragraph 6, the Company agrees, upon the granting under The Crown Timber Act of the licence

referred to in clause (b) of paragraph 5, to provide the Crown with an irrevocable and valid letter of credit issued by the Royal Bank of Canada requiring the said Bank to pay upon demand a bill of exchange in the amount of Five Hundred Thousand Dollars (\$500,000) of lawful money of Canada drawn by the Minister upon the said bank payable on demand to the order of the Treasurer of Ontario, which bill of exchange shall be noted with the number and date of the letter of credit. The letter of credit shall be valid for four (4) years from the granting of the licence and for any such extension as is approved under clause (b) of paragraph 6 and to which extension the Bank agrees in advance.

- (b) In the event that the Company performs all of its obligations under paragraph 6, or fails to perform all of its obligations under paragraph 6 by reasons of causes that are beyond the control of the Company, the Crown agrees not to draw upon the letter of credit referred to in clause (a) of this paragraph 9 and to return to the Company the said letter of credit for cancellation and further agrees to execute any such assurance as may be reasonably requested by the Company to effect that cancellation.
- (c) In the event that the Company fails or neglects to perform all of its obligations under paragraph 6,

save and except when the Company's failure or neglect is occasioned by reason of causes that are beyond the control of the Company, the Company agrees that the Crown may draw upon the letter of credit referred to in clause (a) of this paragraph 9 to the full extent contemplated thereby and also agrees that the monies so drawn by the Crown become the absolute property of the Crown, as liquidated damages and not as a penalty.

- (d) Should any dispute arise as to what constitutes causes beyond the control of the Company for the purpose of this paragraph 9, it shall be referred to arbitration upon the terms and conditions set forth in The Arbitrations Act.

10. The headings herein form no part hereof but shall be deemed to be inserted for convenience of reference only.

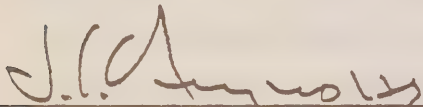
11. (a) Subject to clause (b), this Memorandum of Understanding terminates no later than the end of the period provided to the Company to perform its obligations as set out in clause (a) of paragraph 6 or to the end of any extension of such period approved in accordance with clause (b) of that paragraph.

- (b) The Minister may, on written notice to the Company, terminate this Memorandum of Understanding if by the first day of January, 1980, the Company has

failed to obtain approval of the proposed
development referred to in paragraph 2 by the
Minister of the Environment.

IN WITNESS WHEREOF on behalf of the Crown, the Minister of
Natural Resources has subscribed his signature and affixed
the seal of the Ministry of Natural Resources and the Company
has affixed its corporate seal attested by the hands of its
proper officers duly authorized in that behalf.

SIGNED, SEALED AND DELIVERED
in the presence of

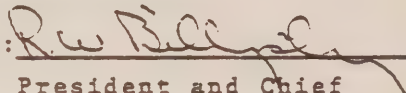


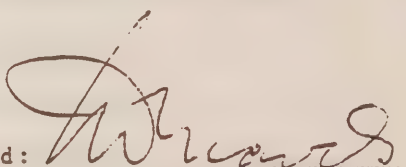
as to execution by the Minister
of Natural Resources for the
Province of Ontario

HER MAJESTY THE QUEEN
in right of Ontario


MINISTER OF NATURAL RESOURCES

REED LTD.

By: 
President and Chief
Executive Officer

And: 
Group Vice-President,
Forestry and Wood Product

SCHEDULE "A"

ALL AND SINGULAR those certain territories or tract of land situate, lying and being in the territorial districts of Kenora, Patricia Portion, and Thunder Bay, containing a total area of 18,983 square miles, more or less, and which may be more particularly described as follows:

Premising that all bearings hereinafter mentioned are astronomical;

Beginning at the intersection of the 10th base line with the 6th meridian line;

THENCE east astronomically along the said 10th base line 45.2 miles, more or less, to the intersection with the water's edge on the easterly shore of Zionz Lake;

THENCE in a general southerly and easterly direction along the water's edge of Zionz Lake to its confluence with the water's edge of a connecting channel between Zionz Lake and Gull Lake;

THENCE in a general southwesterly direction along the water's edge on the northwesterly bank of the said channel to its confluence with the water's edge on the northerly shore of Gull Lake;

THENCE in a general southwesterly, easterly, northeasterly, easterly, southerly, southeasterly, northerly, easterly and southwesterly direction along the water's edge of Gull Lake, Fawcett Lake and Kezik Lake to a point in the water's edge on the southerly shore of Kezik Lake at its confluence with the water's edge on the southeasterly shore of the Cat River;

THENCE in a general southwesterly and southerly direction along the water's edge of the Cat River to the water's edge on the northerly shore of the west arm of Wesleyan Lake at the foot of the rapids of the Cat River;

THENCE west astronomically across the foot of the said rapids to the water's edge of Wesleyan Lake;

THENCE in a general southwesterly, southerly and southeasterly direction along the said water's edge on the westerly and southerly shores of Wesleyan Lake to its confluence with the water's edge on the westerly shore of the Cat River connecting Wesleyan Lake and North Bamaji Lake;

THENCE in a general southerly, westerly and southerly direction along the water's edge of the Cat River to the water's edge on the northerly shore of North Bamaji Lake;

THENCE in a general westerly, southerly and easterly direction along the water's edge of North Bamaji Lake on its northerly, westerly and southerly shores to its confluence with the water's edge on the westerly shore of the Cat River between North Bamaji Lake and Bamaji Lake;

THENCE in a general southerly direction along the westerly bank of the Albany River to the confluence with the water's edge on the westerly shore of Petawanga Lake;

THENCE in a general southeasterly direction along the water's edge on the westerly shore of Petawanga Lake to the intersection with longitude 88 degrees 30 minutes west;

THENCE northerly 26.40 miles more or less along longitude 88 degrees 30 minutes west to the intersection with latitude 51 degrees 52 minutes 30 seconds north;

THENCE westerly along latitude 51 degrees 52 minutes 30 seconds north a distance of 31.45 miles more or less to the intersection with the meridian surveyed by Phillips and Benner, Ontario Land Surveyors, in 1952;

THENCE northerly along that meridian and its northerly production 34.56 miles more or less, to the intersection with latitude 52 degrees 22 minutes 30 seconds north;

THENCE westerly along latitude 52 degrees 22 minutes 30 seconds north a distance of 211 miles more or less, to the intersection with longitude 94 degrees 15 minutes west;

THENCE southerly along longitude 94 degrees 15 minutes west a distance of 81.77 miles more or less to the intersection with the westerly projection of the north boundary of McDonough Township;

THENCE east astronomically 10.82 miles more or less to the intersection with longitude 94 degrees west;

THENCE north astronomically 11.72 miles more or less to a point distant 10.5 miles measured west astronomically from a point distant 11.72 miles measured due north from the northeasterly corner of McDonough Township;

THENCE east astronomically 10.2 miles more or less, to the water's edge along the easterly bank of the Nungesser River;

THENCE in a general northerly direction along that water's edge to the confluence with the water's edge along the southerly shore of Nungesser Lake;

THENCE in a general easterly direction along that water's edge to a line drawn due west from the point of commencement;

THENCE due east 16.70 miles more or less to the place of beginning.


The boundaries of the territories herein described are shown outlined in red on a map dated, October 25, 1976, prepared by the Ministry of Natural Resources, Timber Sales Branch, a copy of said map is attached to and forms part of this schedule.

Rob *ECM*

SCHEDULE "B"

The Crown agrees to undertake the following forest inventories in respect of the tract described in Schedule "A".

1. (a) The Crown agrees to supply to the Company the forest inventory in respect of the tract consisting of one set of photographs (stereo coverage), two copies of area and volume summaries in accordance with the attached samples, one cronoflex and three whiteprints of each forest stand map, and one cronoflex and three whiteprints of one mile equals one inch composite maps, at a price of \$31.25 for each square mile of land situate within the tract. Without limiting the generality of the foregoing, the Crown agrees to supply the Company a description of each and every stand of timber on the tract which will include a determination of the range and proportion of tree diameters within mature age classes.
- (b) The Crown agrees to carry out or to have carried out an operational forest inventory of the tract.
- (c) The Company agrees that the Crown shall be the owner of the copyright of all inventory data and information provided to the Company under this Memorandum of Understanding, and the Company agrees not to make copies thereof for any purpose whatsoever, save and except to perform its obligations under the Memorandum of Understanding.

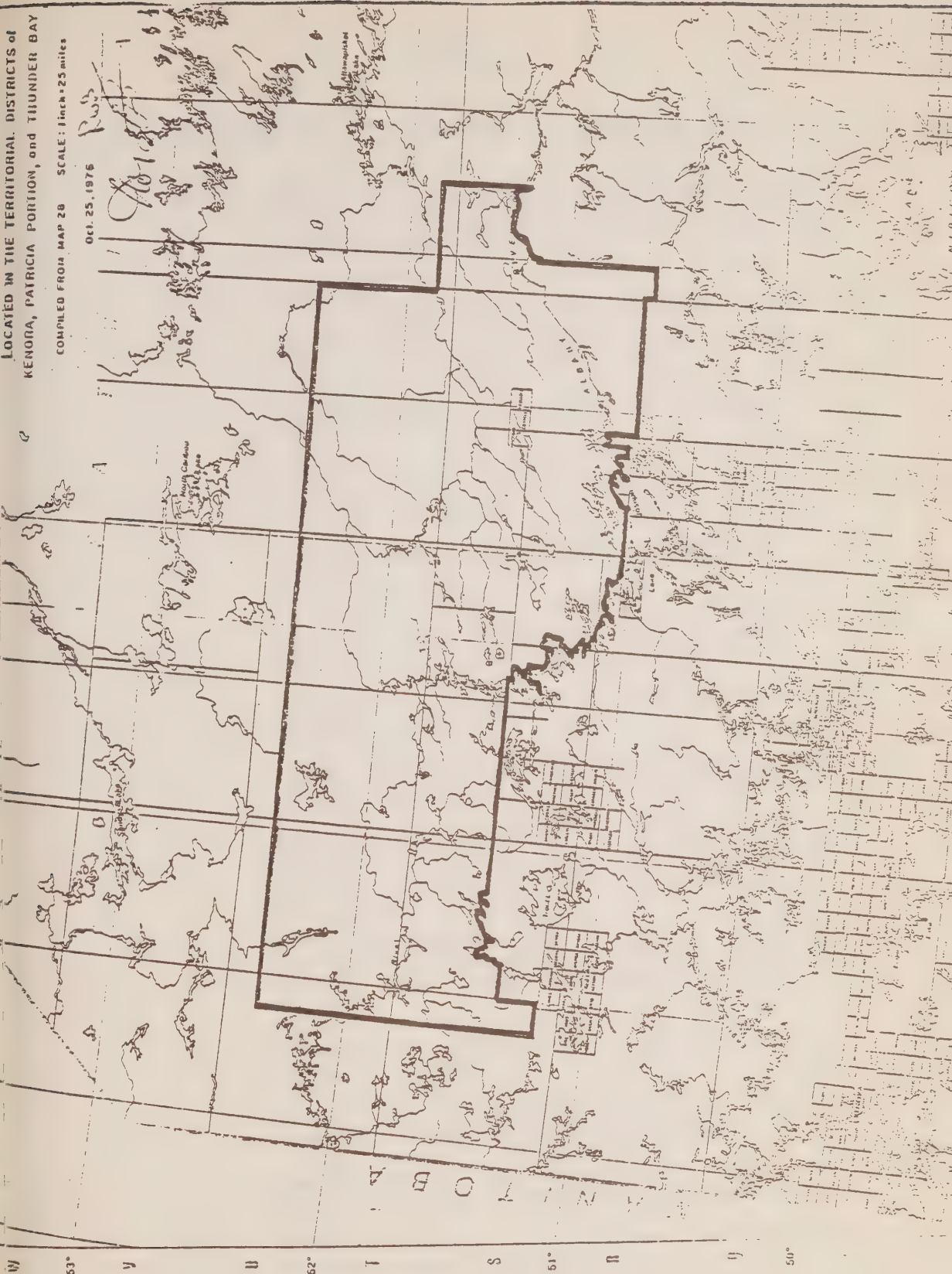
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LOCATED IN THE TERRITORIAL DISTRICTS of
KENORA, PATRICIA PORTION, and THUNDER BAY

COMPILED FROM MAP 28 SCALE: 1 inch = 25 miles

Oct. 25, 1976

Rob



APPENDIX "F"

"Photographs of Company Operations in Northwestern Ontario"
(All: October 1977)

(Note: Prints of the photographs described below have been attached only to the copies of this information brief which were submitted directly to the Royal Commission on the Northern Environment.)

Number: Description:

1. High-level aerial oblique view of a typical, mature forest on the Company's timber limit.
2. Low-level oblique of the same forest illustrated in Photograph #1.
3. Conventional pulpwood harvesting.
4. Mechanized harvesting.
5. Hauling of harvested timber from roadside.
6. A typical clear-cut.
7. Low-level oblique showing natural regeneration on cut-over lands (cut 1964-65, scarified 1965).
8. Regeneration of Spruce and Jack Pine (cut 1963-64, scarified 1964-65).
9. Oblique aerial view of the Dryden pulp and paper mill complex, showing part of the Town of Dryden in foreground.
10. View of Dryden mill complex. At left is the lime kiln; the stack emitting water vapor above the kiln is the new lime kiln scrubber. Stack in the centre of the mill exhausts the new electrostatic precipitator.
11. View of pulp machine within Dryden mill; illustrates the "dry end" of the machine, with sheet pulp moving from the dryers through the cutting and stacking stage.
12. Elevated view of "flash dryer" for pulp, followed by pressing and baling.
13. Finished paper production at the Dryden mill, showing winder on one of the three paper machines.
14. New electrostatic precipitator at Dryden mill. (Back-hoe in foreground illustrates size of precipitator.)
15. Primary clarifier for liquid effluent, under construction, with mill complex in background of photograph.

CAZON
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-77N22

SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

RED LAKE DISTRICT
HIGH SCHOOL STUDENTS

PRESENTED AT

RED LAKE
ON
NOVEMBER 14, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

RED LAKE DISTRICT HIGH
SCHOOL STUDENTS

PRESENTED AT

RED LAKE

ON

November 14, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
ROOM 801
TORONTO, ONTARIO
M4W 1A5

No. 52

Royal Commission on the
Northern Environment
This exhibit is produced by

Cathy Morgan

is 14 day of Nov 1977

Squawam

BRIEF PRESENTED
TO THE COMMISSION
OF NORTHERN
DEVELOPMENT

PRESENTED BY
GRADE XI11 ECONOMIC CLASS
RED LAKE DISTRICT HIGH SCHOOL

1977 11 14

THE FUTURE OF THE DISTRICT

1. People in the area seem more concerned with plans for the immediate future than long range plans. For instance their major concern is the possibility of another television station and better roads. What people have to realize is that if the mines shut down and another industry does not come in, the area will die. What use will a second television channel be then? People are beginning to realize that there is a limit to the life of the mines. The announcement that Inco Ltd. in Sudbury will layoff 2,200 workers has really opened peoples eyes. People of the north understand now that a community cannot survive on just one major industry, especially an industry based on unrenewable resources such as mining. People in the North need to know now, whether their community will grow or die so they can make plans for their own futures.

THE QUESTION OF GOVERNMENT RESPONSIBILITY

2. Does the government have a responsibility to keep the community alive? Should the mines close down, would we be expected to go and find jobs in other communities? We suggest that this would not be feasible. Unemployment is already high in other areas of Canada and they should not be expected to support an influx of unemployed Northerners. People have invested heavily in this area; in homes, cottages and community development. They do not want their investments wasted. What about people who have lived here for forty or fifty years? Should they be forced to pay the emotional and financial expense of a move to a new area?

WHY MAINTAIN THE COMMUNITY OF RED LAKE

3. Red Lake should be maintained for another very important reason. Known as the 'heart of the north' it is the service centre for many surrounding communities. These surrounding communities as far away as Sandy Lake and Pikangikum depend on Red Lake for medical services, supplies, and recreation. Red Lake is the base of a thriving tourist industry. Tourist camps invest a great deal in the town of Red Lake where they buy supplies and arrange costly transportation through the seaplane services, for their clientele. Without base industry the service centres cannot continue in their present capacity.

INDUSTRY AND THE ENVIRONMENT - A PROPOSAL FOR THE FUTURE

4. To support this community we suggest that it needs another basic industry such as pulp and paper. However industry should not be allowed to step over government environmental controls. If industry does not adhere to the regulations strong penalties should be strictly enforced. Our environment is our children's future. In the North we have forests and lakes we are proud of. We also have a thriving tourist industry. We believe that industry and the environment can be compatible through a mutual respect.

VINCE KELLER
RED LAKE DISTRICT
HIGH SCHOOL

Development or Demise?

It can be viewed that Ottawa and Toronto symbolize two parents neglecting one of their two children. While the southern one is close to me and well cared for, the northern one is pushed aside and forgotten. Well, the time has come for a decision.irate and dissapointed, we people of northern Ontario, want to be heard. The Hartt Commission, headed by Justice Hartt will be our spokesman in matters we feel are very important.

This northern society encompasses distinctive characteristics. Its peacefully quiet and friendly atmosphere is a way of life many people find hard to give up with any wide-spread urban development. Our great abundance of open space and natural recreation resources are also hard to see replaced. But why should we!

Why are the people of this area eager to be heard? It is because our southern neighbours have too great an influence upon our lives and we are suffering because of it. The fact that we lack most of the services of the southern sector has adds to the confusion and frustration of "northerners". The high costs of food, entertainment and servicing, including gasoline in this area are major problems to which our southern government seem uncommitted to resolve.

There may not be a solution to our inflationary problems but we know there are solutions to the difficulties involved in a resource based economy, that single non renewable resource base being mining. I would like to add to the point about the mines, that the history to mine a town down is possibly the ^{greatest} fear of the community. With a shut-down in mining the area will likely dissolve, leaving behind it decay and ruin. We no longer desire to be dependent for our livelihood on a fragile

economy based on exhaustable resources and external conditions over which we have no control.

Development is the only answer to this complex problem. Reed Pulp and Paper have attempted to enter this area in search of forest reserves, but with falling profits and increased opposition their planned expansion has been stalled. I, personally, feel that this is unfortunate because we must not continue to look too far into the future while neglecting the present. "We need Reed", is a NOW slogan and if this, or any other development is thwarted, the area will die. It must be saved! The mines cannot support us forever, nor does it seem healthy to let them, and if we wish to survive, we will need jobs in other industries.

Not only will development service our area for tomorrow, but it will provide the impetus for the extension and upgrading of various services such as another television station, roads, and highways, housing and general living conditions.

However, a prerequisite to any development is the fact that environmental standards must be met and thoroughly enforced, possibly by a new department opened up in the area. Whose standards? Well unfortunately they'll have to be southern, of course, until southern politicians come to the realization that the carrying capacity on the thinly settled Canadian Shield is below that of Southern Ontario. It is ironic that the wildlife understands this concept but "superior" man does not. For those who worry about pollution, compromise will be a key word, man is a polluter. We can allow a controlled level of pollution; otherwise we will no longer be able to look at the lakes and forests, having had to move in a search of jobs elsewhere.

So, the question remains, development or demise? It's up to us, and if we do not make the decision in favour of development eventually we are forced to move. And our southern "parents" will feel a slight remorse

her northern children - in search of a new home.

As a group, we have been discussing the future development of the Red Lake area. There are a few suggestions we would like to make on subject material for your inquiry. We hope you will take them into consideration.

JOB OPPORTUNITIES

The job opportunities in the North are minimal. Males can either work in the mines or out in the bush. Females can wait on tables or babysit (the pay usually being as low as possible keeping it to the minimum wage). Because of lack of employment, the population is fluctuating. New industries would increase the job opportunities and the population would be increased and be more stable. To bring in new employers would require some type of incentive or subsidy or transportation.

TRANSPORTATION

The bus services in this area are inconvenient. For an example, there is no regular bus route to Cochenour. There is no "passenger bus" unless you want to ride with the miners on a company subsidized trip. A small bus or van would be ideal and there should be a reasonable charge for these services. The taxis should have flat rates to any area in the district and not vary them to suit individual situations.

TELEVISION

A switch and a T.V. channel would please alot of people. To sit and watch sports for hours on end is not enjoyable for most people. They should cut down on the reruns, operas and politics. A few good movies would be appreciated (horror, mystery, and/or comedy). For Canadian content we are forever seeing sports or highlights from the Olympics. The Olympics were all very interesting, but to see it over ten times is ridiculous.

OPENING ROAD

To open the road from Madsen to Winnipeg would help in employment, exchange of goods, and to save on fuel. We'd be able to get our goods in a wider variety and the goods would also be cheaper.

RECREATION

The only problem with the recreation here is a lack of choice. In the winter you can curl, bowl, skidoo, and skate. But there is only one curling rink and this does not provide enough ice time for everyone. To curl or skate you have to own a car to get to Balmertown or Cochenour.

RECREATION(cont.)

All we really would need is another curling rink and indoor arean located in Red Lake. A swimming pool would be nice as well. In the summer, you can swim from July to the middle of August and then the water is practically freezing cold. There should be dances for the people under 18 or a place where they can get together. The 18's and over go to bars or dances. But the ones under 18 cannot do anything as a group because of the drinking at the community organized events.

EDUCATION

The education system around here is really bad. In public schools we are not competely prepared for entering high school. We are taught only a few subjects instead of a little of everything. The teacher doesn't like teaching a specific subject so he/she emphasizes another(usually phys-ed, math or geography). Hardly any English is taught, so when we come into high school we are expected to know a lot more that we do. We don't actually know anything. The curriculum should be the same everywhere in the system and followed closely.

In the high school we don't have many choices in grade 13 as to what subjects to take. We are sent to Dryden or Kenora if the subject is not offered here. This means leaving our friends and families from around here, however judging from projected enrolments we may not have Grade 13 next year.

GREAT CIRCLE/TOURISM

The great circle should be opened(road to Pickle Lake for example). Red Lake area has many tourist facilities and if another tourist area were opened it would help to expand our economic base.

GAS

The price of gas around here is a rip off. Some people pay 70¢ a gallon to run their cars, while we pay \$1.05 to \$1.10 or more. Air investigation of energy prices should be carried out.

To sum up we would like to see your Commission looking at methods of expanding our economic base, improving transportation and assess, and broadening the scopes of communication and recreation. Much of this would be aided by an increase in population and an introduction of stability.

Yours respectfully,



Student Group
Red Lake District High School

CAZON

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-77N22

SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

CANADIAN PAPERWORKERS UNION
CLC ICEF
MALTON L4V 1E1

PRESENTED AT

RED LAKE
ON
NOVEMBER 14, 1977



ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

Canadian Paperworkers Union
CLC, ICEF
6205 Airport Road
Malton, Ontario
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Mr. T.H. Curley,
Vice-President, Region 3

PRESENTED AT

Red Lake

on

November 14, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
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TORONTO, ONTARIO
M4W 1A5

No. 55

Royal Commission on the
Northern Environment

This exhibit is produced by

Canadian Paperworkers Union

this 14th day of Nov. 1977

S. J. [Signature]

OUTLINE OF PROPOSED BRIEF

TO THE

ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

CANADIAN PAPERWORKERS UNION

CLC, ICEF

The Canadian Paperworkers Union, representing over 55,000 workers in the pulp, paper and converting industry, appreciates the opportunity to contribute to the Commission, chaired by Mr. Justice Patrick Hartt.

1. The decision of the Ontario Government to appoint a Royal Commission to determine various effects that a major enterprise is likely to have on the physical environment and on the people of a community, before the enterprise begins constructing is appreciated. It is a logical and sensible step, long overdue. It breaks radically with a long tradition which assumed that we would all be better off when major (or minor) enterprises proceeded unimpeded and on the basis of least cost to themselves. The side effects of this unilateral approach were enormous social costs in the form of improvident use of raw material resources, serious damage to the physical environment and, often, adverse effects on the people of the communities, sites of the new enterprises.

2. The timing of the Inquiry is opportune. Experts on various environmental matters, experts on natural resources, as well as social scientists, have demonstrated that society must concern itself a great deal more with other objectives in addition to the economic one. Industrial expansion, employment, etc. must continue to receive a high priority, but not at any cost. The mounting evidence of a deteriorating natural environment is raising concern and even apprehension about how much pollution we can tolerate and, apprehension about the rapid loss of our aesthetic assets. Similarly, while the pursuits of material things will continue to consume much of man's energy and ingenuity, he is also becoming more insistent that social and cultural matters be given more weight in this equation.
3. Among other things, the appointed Commission will seek to discover a measure of accommodation among these competing objectives. A final goal of the Commission will be to develop a formula, approach or method which, when applied to a proposal of a major enterprise, will give adequate assessment weight to all relevant factors. The approach will,

no doubt, be structured so as to produce trade-offs and the decisions as to the trade-offs will depend to a certain extent on the experts and others who are expected to participate.

4. While not stated explicitly in the terms of reference, we assume that the Government still attaches a high priority to industrial expansion. The Commission is assigned the role of finding a more sensible and constructive way of proceeding with that expansion.
5. The terms of reference given the Commission are comprehensive and will allow for wide investigations. It is regrettable, however, that the Government should see fit to confine the Commission's work to a specific area. It would, for example, prove a distinct disservice to the people of Ontario should the second term, in the terms of reference, i.e. "to inquire into methods that should be used in the future to assess, evaluate and make decisions concerning the effects on the environment of such enterprises", be regarded as applying only to northern Ontario.

6. It will be appreciated that the interest in this study of the Canadian Paperworkers will be largely limited to the pulp and paper industry, including the raw material base. The proposal by Reed Paper to establish a major enterprise within the given geographic area offers the opportunity. However, we do not propose to confine our examination to this particular firm, nor to the prescribed area. Moreover, we are not in a position to deal comprehensively in specifics . . with matters requiring extensive data for assessing and measuring external and internal variables that might demonstrate what makes the pulp and paper industry tick. Rather, our objective is to limit our examination to certain arrangements and policies obtaining at the raw material base and to some of the conditions, factors and policies that influence and shape the pulp and paper industry and its markets at home and abroad.
7. We do not aim at finding the solution to any problem encountered or to provide definitive answers. That would be far too ambitious on our part. We do hypothesize, however, that certain arrangements, relationships and policies exist

for example, in the forestry industry that may impede it from reaching its full potential; if so, the pulp and paper industry would be affected. Similarly, arrangements, relationships and policies may obtain within the pulp and paper industry, and within its markets, that may hinder it from reaching its potential.

8. We further assume that many of these arrangements, relationships and policies have evolved over time in a more or less parochial and ad hoc manner; insufficient concern may have been given to longer run developments and to policies and arrangements pursued in countries with whom the Canadian industry must compete.
9. According to the Environment Canada (Canada Forestry Service), Canada possesses some 400 million acres of timberland, said to be economically accessible to production. That is more than twice the acreage allocated to farm production. The forest resource is, therefore, the most extensive of our renewable resources. While these two resources differ in some respects, farms being privately

held while timberlands are public property (90%) and farms produce many crops while the forest yields primarily one, they have features in common. Both have the capability of producing a great deal more than can be consumed at home. Both must, therefore, seek outlets for their surpluses in foreign markets. Both must be managed skillfully and rely on the sciences in order to optimize output.

10. It is our intention to examine in some detail the policies and arrangements developed and employed by the Ontario Government, especially those that are designed for managing and regulating the Ontario timber crop. We shall assume that these policies were conceived with three broad objectives in mind:

- a) To steadily improve on the quality and quantity of the timber crop by means of the scientific method;
- b) To produce sufficient wood supplies in the most economically accessible locations and at least cost;

c) To monitor and compare these policies and arrangements with similar policies and arrangements wherever we compete.

11. Given this extensive renewable timber resource as the raw material base, Canada has developed a sizeable pulp and paper industry (and sawmill industry), but not as extensive and certainly not as varied as one might have expected. The opportunities appear to have been present for many years; extensive markets at home and abroad; relatively cheap wood supplies; very cheap power, of which this industry is a rapacious consumer; and, ample and suitable water supplies so essential to pulp and paper production.

12. For a variety of reasons, the industry has not fulfilled its early promise. For example, since the early 1950's, its share of the total GNP has steadily fallen from 5.2% to 3.3% ⁽¹⁾. Its remarkably high value level of exports, amounting to 22.7% of Canada's total export value in the early 1950's, shrunk rapidly to 11.7% in the 1970's ⁽²⁾. Employment in the industry expanded at only half the rate of total Canadian employment during the same period. ⁽³⁾

⁽¹⁾ average 1950-54, and average 1970-74

⁽²⁾ average 1950-54, and average 1970-74

⁽³⁾ average 1950-51, and average 1973-74

13. We want to examine what the experts have to say about various constraints which have prevented the industry from fuller development; also, the factors that cause the industry to fluctuate, over time, more violently than total manufacturing or the GNP, to which its fortune is said to be linked.
14. We shall raise a number of questions, such as:
Why is the industry confined to produce, principally, products having very low earnings yield; is this one reason for the industry's long-term low earnings capacity? Is that confinement self-induced, or is it externally imposed? Why did we have to import 300 million dollars worth of paper, paper board and paper products in 1974? Are we destined to produce first stage products and wood chips? Are the existing constraints insurmountable?
15. What role does Governments play in stimulating or restraining the development of this industry?
16. We shall examine what competition means in a major export industry.

17. Bearing in mind that the pulp and paper industry is a significant export industry (70% of its total gross production was exported in 1974, with a total dollar value of approximately \$4 billion), we shall review certain developments in the industry of our major competitors with a view to comparing these with any similar developments in our industry.
18. In this comparison, and tariffs aside, we assume that any steps taken by our major competitors that lowers the cost of wood supplies, more efficient production runs (through greater integration, for example) and more efficient sales methods, are all factors that are likely to make our industry relatively less competitive and less viable, unless we take similar steps.
19. We shall discuss and raise questions about certain kinds of company decisions . . . character of new investment intentions, location and production choices, all of which may affect employment in the industry and people in certain communities. For example, Reed Paper has proposed investing in a large kraft pulp mill. Why pulp? Why in a different location? Why new capital construction?

20. While the deliberations of the Hartt Commission may well turn up a broader decision-making formula for use in the future in northern Ontario, there is no assurance that such a formula will be employed, as a matter of course, in the rest of the province, or elsewhere, at least for some years to come.
21. In view of the preceding assumption, and for other reasons, we believe now is an opportune time for us to explore in what way the workers of the pulp and paper industry might participate with an employer in major decisions that might vitally affect, not only the firm, but also, in one way or another, the employees of that firm.
22. The 55,000 workers whom we represent are deeply committed to this industry. In consequence, we believe that we have a larger role to play and a more positive contribution to make than evidenced by the limited, though important, role of annual wage negotiations.

23. Clearly, anything that is done within or outside the industry which affects its long run stability and profitability is of equal concern to the workers in the matter of employment and income. They have a large stake in the industry . . their livelihood.

24. We appreciate that the introduction of worker participation is a long-term development, but so are a number of aspects that we shall be dealing with in this brief.

DATE: OCTOBER 21, 1977
TORONTO, ONTARIO

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

MADSEN COMMUNITY
ASSOCIATION INC.

PRESENTED AT

RED LAKE
ON
NOVEMBER 14, 1977



Ontario

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

MADSEN COMMUNITY ASSOCIATION INC
Box 219
Madsen, Ontario

PRESENTED AT

Red Lake

on

November 14, 1977

ROYAL COMMISSION
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Madsen Community Assoc. Inc.

Box 219, Madsen, Ontario

No. 56

Royal Commission on the
Northern Environment

This exhibit is produced by

Madsen Community Assoc.

this ^{14th} day of *Nov* 19.77

S. J. J. J.

A BRIEF FROM THE MADSEN COMMUNITY ASSOCIATION INC.

TO

THE HARTT COMMISSION ON THE NORTHERN ENVIRONMENT

AT

RED LAKE, ONTARIO - NOVEMBER 15, 1977

Madsen Community Assoc. Inc.

Box 219, Madsen, Ontario

The following brief is presented by the Board of Directors of the Madsen Community Association Inc. on behalf of the residents of the Madsen Townsite, which is presently operating as an Unorganized Community.

The townsite at Madsen is a result of the operations of Madsen Red Lake Gold Mines and has existed for some thirty odd years. The mine was sold to Bulora Corporation in 1974 and was closed by that company in 1976. This townsite was fortunate in that a number of our residents were able to find employment locally. We are unfortunate in that we have a townsite capable of accommodating 115 families and our present population is 57 families with ^{little} or no prospect for growth. We are also faced with no viable alternate source of housing.

Our citizens are concerned with the following points:-

1. a renewable resource industry with some degree of product/by-product manufacturing located in the immediate area
2. enforcement of Acts and Regulations affecting control of pollution of all aspects on the total environment
3. regional planning with emphasis on consolidated townsites and municipalities rather than the dispersal which now exists
4. monitoring of the basic costs of living in the North, particularly with respect to energy and food
5. diversity of communications in the area of radio and television
6. the high cost of transportation and the limited methods of travel
7. since both Federal and Provincial levels of Government benefit heavily from resource industry, we would like to see these figures made public and reserve funding

Madsen Community Assoc. Inc.

Box 219, Madsen, Ontario

provided from the proceeds for either resettlement of the community or assistance in introducing a new industry and operating the townsite.

Since we realize that the inquiry is only in the initial stages we will only elaborate briefly on each of the above points. Industry in this area has been functioning for about fifty years and we are into the third generation of some families. Madsen is an example of the dependence on a non-renewable resource and same situation could occur on a much larger scale if the remaining two mines in the immediate area of Red Lake were to close because the ore either ran out or was no longer economical to process. This region needs the stability possible from a renewable resource based economy. However, in addition we also need some of the associated manufacturing located here too. It is supposed to be cheaper to ship processed and semi-processed goods rather than the bulk of the raw materials. Guidelines should provide for some processing at the source location rather than in the United States or already overcrowded Southern Ontario. The diversity of job positions would enable the area to retain some of our youth who are presently leaving to find employment and not because they want to leave the area.

Pollution controls applied to new factories would mean that the technological advances of the seventies and the eighties are being utilized to meet the requirements and wishes of both government and the people of the province. Once the mechanics of the controls are established they must be both monitored and enforced rigidly, with fines and restrictions serious enough to warrant compliance on the part of industry.

It may not be that more than one new industry will move to a particular locality at the same time. If this situation should arise or be forecast, then every effort should be made to consolidate the townsites to avoid the duplication of services

Madsen Community Assoc. Inc.

Box 219, Madsen, Ontario

in both the public and private sectors with the resultant higher costs. The consolidation would also provide a broader base to absorb any shock to the economic life of the community.

In a remote area such as this is, one expects to encounter some higher prices. The differentials that exist in fuel do not seem proportionate to the distances involved. Our fuel comes from the same sources as that used along most of the Trans-Canada and the same methods of transport are used. Gas costs about \$1.10 per gal. and fuel oil is 56.2¢ per gal. The natural gas pipeline extends to Ear Falls but not to the Red Lake area. It would at least provide a choice of methods of heating and might also introduce the concept of competition to the suppliers of fuel. Transportation costs are often cited as the reason for differences in price, even between here and Ear Falls, which is in some cases supplied from this area.

We have often listened to CBC radio when reception permitted, and have heard some discussion on both CBC radio and television programming. The concept of dial turning may very well be viable in Southern Ontario and if the Canadian Actors and Actresses Union wishes to restrict the appearance of imported performers on CBC we would suggest that they do not justify it by saying anyone can switch to another channel. We need some alternative to an overload of sports, football Saturday afternoon, hockey Saturday night, and football again on Sunday afternoon. You will note that this is only one weekend and does not include baseball or reruns of track meets and gymnastics. People living in Madsen are fortunate because if conditions are good they can sometimes pick up an FM radio broadcast. Notices over CBQ from Thunder Bay for local consumption are a lost cause and this service has been specially provided for the area.

Madsen Community Assoc. Inc.

Box 219, Madsen, Ontario

We trust that the Province of Ontario has provided your Commission with an airplane, otherwise you may find your mobility greatly restricted. A person without their own car is in trouble. There is a daily bus service to Kenora, sometime you can even make a plane connection to get out of Red Lake. Getting back is something else again. The Honourable Leo Bernier has attempted to ease the situation but access is difficult. The nearest major centres are Thunder Bay and Winnipeg. Since Winnipeg is closer, our T.V. and radio come from there, and our regular major newspaper also come from there, most area residents feel more like Manitobans than residents of Ontario. We would like to see the idea of a highway between Red Lake and Winnipeg pursued. It should result in cheaper goods and services, and access to a wider range of services than are available in an economic unit this small. In southern Ontario major services are usually only 20 miles away, here the distance is more like 300 miles.

Resource based industries usually result in an outward flow of profits, taxes, and financial benefits. Even the by-product employment is in another area of the province. We would like to see some form of a contingency fund built up over a period of years so that there will be funding available for a replacement industry, for assistance to residents to relocate, or to help with the operation of the remaining townsite until either of the above are accomplished. Where non-renewable resources are concerned the closing of the operation is an accepted future reality and provision should be made for the end while earnings are at their peak. Everyone, governments, industry, southern Ontario, and foreign investors, seems to profit at the expense of the Northern areas.

There is one last point which we did not mention previously and which we consider to be perhaps the most important. We live in the "Shield" area of the province. Housing rules made for southern Ontario are not necessarily good for us. A point for example would be the provision of water and sewers. Our

Madsen Community Assoc. Inc.

Box 219, Madsen, Ontario

townsite of Madsen has operated for over thirty years using a Utilidor a above ground system for water and sewer services. We have had less problems and shut offs than Red Lake that is forced to operate on a buried system according to Federal and Provincial housing regulations. We live on top of rock. To bury something fifteen to eighteen feet takes a lot of dynamite. When our people were asked if they wished to move when the mine was closed their initial reply was "No!". However being reasonable they did ask where they might move to. Since very few wanted to leave the area, Red Lake was suggest as a possibility. Due to restrictions on water and sewer imposed by government agencies lots would cost \$15,000 to \$20,000 and the development of Red Lake effectively curtailed so that our 45 homeowners had to remain in Madsen. If you are concerned with the North, then conduct the hearings in the North close to the 50th parallel and if people or groups from southern Ontario wish to have input, then let them come here for achange as you and your Commission are doing.

Respectfully submitted by



David C. Symonson

Chairman, Board of Directors,

Madsen Community Association Inc.

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SUBMISSION TO
THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

MR. DOUG MIRANDA

PRESENTED AT

RED LAKE

ON

NOVEMBER 14, 1977



Ontario

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT

THE HON. MR. JUSTICE
E. P. HARTT
COMMISSIONER

SUBMISSION TO

THE ROYAL COMMISSION ON
THE NORTHERN ENVIRONMENT

BY

Mr. Doug Miranda

PRESENTED AT

Red Lake

on

November 14, 1977

ROYAL COMMISSION
ON THE NORTHERN
ENVIRONMENT
416/965-9286

MANULIFE CENTRE
55 BLOOR STREET WEST
ROOM 801
TORONTO, ONTARIO
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EXHIBIT # 57

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November 24, 1977

ORIGINAL SUBMISSION
CAN BE VIEWED AT THE
COMMISSION OFFICES AT
55 BLOOR STREET WEST,
TORONTO

I thank Mr. Commissioner for giving me the opportunity to speak of my opinion in Northern Development in Ontario. I have had the privilege to be born and educated in Northwestern Ontario. After schooling it was time to go to see the bright lights of the cities down East. Six years ago I came back to this area, preferring it to the skyscrapers of Montreal or the hills of Gatineau outside Ottawa, or the filth and scum of the water front in Toronto. I, now again, have the unsurpassed opportunity to hunt in the green forests and fish in the blue rivers and streams and enjoy the wilderness as Mother Nature intended for us to enjoy it. Although sometimes I feel we are being penalized to live in northern Ont. because of the high price of gasoline and other necessities the benefits in some ways make up for it.

There may be a time in the faraway future that the green forests in small sections may have to be cut to furnish our country. There may be a time in the faraway future, the government may have to resort to contracting small sections for natural resources... But the time is not now! The time is not now for me to sit back and watch major companies strip and rape our forests, to dirty and soil our water, steal our natural resources, or pollute the fresh air in the North.

To date there has not been a good record for development in the north. It appears when the market drops, rather than invest and search out the area the companies are pulling out; leaving the townspeople with a house, not yet paid for in many cases, which has little or no market value. Reforestration thus far has a terrible track-record. Some large companies are deliberately avoiding building their business within municipalities. So we have places like Sioux Lookout, Ignace and others where the municipal tax dollar is coming straight from the working man and the small businesses.

Even the proposed development in this area, which I believe initiated this Commission, planned to build their site somewhere between Red Lake

and Ear Falls. Yes, this does create employment but ... Small price, I think for big bussiness dollars. To me this proves the company doesn't wish to take an active part in our communities. Instead they want the biggest profit at the least expense. I feel that with proper care and planning taken now with what the companies have there is no need to further expand in the last large area of forests and wilderness. This last bit of wilderness is priceless, it cannever be replaced. Its sickening to think I am going to have to tell my children how life in this Northern Area was rather than having the chance to share it with them.

My suggestion, to you, is to advertise and encourage tourists to come back to this area: Perhaps promote so the sportsmen comes back this area. With the proper program the wildlife could be perpetual.

I feel that development in the north should be restricted to only developing the area only to gain easy acess to our last large northern area.

Thank you.

File Number

Exhibit Number

SUBMISSION TO

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BY

Walter Papiel
c/o A.G. Johnson
Box 33
Oxdrift, Ontario

PRESENTED AT

RED LAKE

ON

November 14, 1977

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A.G. Johnson,
Box 33, Oxdrift, Ontario.
November 14, 1977

Mr. Justice Patrick Harte
Royal Commission on the
Northern Environment

Dear Sir:

I feel priveleged in having been allowed to participate in the open session at Dryden on November 9, 1977.

At that time, I was representing the Members of Canadian Paperworkers Union Local 105 in submitting a paper entered as ixhibit #25.

The content of some of the Briefs submitted to your Commission in Dryden have been the subject of serious discussion. On this occasion, I am not representing Members of the Canadian Paperworkers Union. I am submitting this to you on my own volition and expressing some general concerns of several hard working citizens of this Community.

We have faith in the sincerit~~y~~ of your Commission, if you would extend the privelege of participation further I would again be appreciative in bringing to your attention the following.

It was pointed out in a brief presented by the Tourist Outfitters that their fly-in camps are in jeopardy, due to roads being built into remote areas where these exist.

I have three pertinent questions that may very well be answered by evaluation of the presentations you have received, or by the spokesman for the tourist group.

- 1/ Why would the camp Owners assume that having a license for a fly-in camp on a lake of the size described give them exclusive rights to the use of such lake?
- 2/ Are the Camp Owners also suggesting that fly-in camp owners should have full control of vast areas around or leading to such lake?
- 3/ Are these camps owned by Canadian Citizens?

I would suggest rather that the Tourist trade be looked into closely since it seems that Tourists from another country are entering our area in increasing numbers.

- 1/ Many do not stay at any Tourist resort.
- 2/ They do not use the services of a guide, a job our natives handle very well.
- 3/ They bring with them, their own food and supplies, many leaving empty cans etc. in their wake.
- 4/ They bring with them drums of gasoline, depriving our Government of the gasoline tax needed to maintain the roads on which they travel.
- 5/ During hunting season, they buy their licences following which they roam our countryside at will, carrying all types of high-powered rifles, and are known in some cases to be violating our hunting laws.

We all appreciate the Tourist Trade and it is not suggested that the tourist is undesirable; quite the contrary. However, our laws are clearly written and these roads make remote areas accessible to our enforcement Officers.

Following the appearance of this Commission in Dryden, some of our respected men have been subjected to criticism through the media and otherwise regarding some of their views. These views are shared in varying degrees by many and pose questions regarding the relationship of our Native People to the rest of our society.

It is fairly common knowledge that our original Native Canadians have ready access to funds from Government Benefit Programs.

It is interesting to note these in the field of Education Assistance, Health, Housing, Equipment for private or Collective Enterprises and most recent, the funds made available to them for Research and preparation of submissions to this Commission.

Funds for all of these are received through Government Agencies from the Taxes imposed on the Productive work force and Taxable Corporations. It would appear then that by their own volition or urging from other sources the Native people are reducing these sources of Revenue in their submission to this Commission.

It is imperative that all walks of life in this Area are assured of their rights. If the properties and agreements pertaining to the Native Segment is being exploited or violated then these must be protected; likewise the rights of any other segment of this society.

Literature expounding the Healthy, Wealthy and Beautiful country in which we live has found its way into all corners of the Globe. Surely there is room and facilities sufficient for us all to live, work and play in congenial harmony as one people and not segregated. All that seems necessary is a mutual cognizance and respect of each others' rights, needs and desires.

In conclusion, I might add that this would include Industrial expansion in proportionate and proper perspective. It can not be ignored that this is one of the major sources of livelihood to many Canadians, Revenue for the Benefit Programs that provide for our disabled, aged and those otherwise in need, the necessary tax dollars for the economic function of our Provincial and Federal Governments.

Respectfully submitted,

BINDING SECT. AUG 18 1980

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